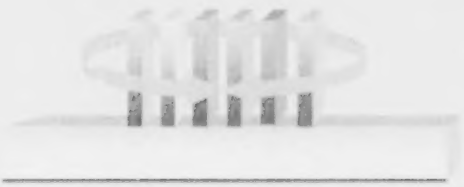

A Planning Guide for the Consolidation and Delivery of Local Services in Northern Ontario

Northern Services Implementation Project
June 2000

Ontario

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Introduction

The realignment of provincial and municipal service responsibilities was announced as part of ***Local Services Realignment*** (formerly Who Does What) in January 1997, to provide for better, more efficient service delivery at the local level. The goal of Local Services Realignment (LSR) is to: achieve cost savings and greater efficiency; simplify access to services; and to serve clients better through consolidated delivery of local services.

To realize the benefits of LSR, there was a need for communities to consolidate and streamline service delivery on an area-wide basis. Consolidation of local services in the North must take into account the challenges of geography, population distribution and municipal governance structures characterized by single-tier governments and unorganized territory. With the exception of the Region of Sudbury, there was no mechanism (governance structure) to consolidate service delivery in the North.

As a result, two service delivery models were developed specifically for the North:

- **District Social Services Administration Boards (DSSABs) developed by the Ministry of Community and Social Services under the *DSSAB Act*.**
- **Area Services Boards (ASBs) developed by the Ministry of Northern Development and Mines, under the *Northern Services Boards Act* (NSBA).**

DSSABs have been established across the North for the purpose of managing Ontario Works, Child Care and Social Housing programs and services, with an option to also deliver Public Health and Land Ambulance. ASBs, on the other hand, represent another model which would provide northern communities with an opportunity to manage/deliver a broader choice of services resulting in further cost savings and efficiencies.

Communities that desire additional consolidation opportunities offered through the ASB model can benefit from previous work associated with the establishment of DSSABs. The participation and experience in developing DSSABs will facilitate a smooth transition to an ASB. Before an ASB is established, the DSSAB(s) affected by an ASB application are required to achieve full implementation of the consolidated management and delivery of Ontario Works and the consolidated management of the delivery of child care services.

The purpose of this planning guide is to provide northern communities with information about ASBs to assist in their consideration of which service delivery options and consolidation arrangement best suits their needs and situation.

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Overview

1. What is an Area Services Board (ASB)?

An ASB is a legal corporation established by a Minister's Order under the *Northern Services Boards Act* (NSBA) to facilitate the consolidation of service delivery over large geographic areas involving municipalities and unorganized territory to allow for increased efficiency and accountability in area-wide service delivery.

The ASB governance model is optional and permissive which allows for the management and delivery of a broad range of local services across large geographic areas in Northern Ontario, and the recovery of service costs from all property owners receiving such services.

Representation on an ASB consists of members appointed by participating municipal councils within the board area and by members elected by residents of the unorganized territory contained in the board area.

ASBs will be responsible for the management and delivery of the following 6 core services:

- **Ontario Works**
- **Child Care**
- **Social Housing**
- **Land Ambulance**
- **Public Health**
- **Homes for the Aged**

An ASB may also propose to deliver optional services such as, but not limited to:

- **Police Services**
- **Provincial Offences**
- **Waste Management**
- **Economic Development**
- **Airports**
- **Roads and Bridges**
- **Emergency Preparedness and Response**
- **Land Use Planning**
- **Any other service requested by the ASB and agreed to by the Minister of Northern Development and Mines**

2. Who can apply?

One or more municipalities or local services boards or residents of unorganized territory, with respect to the territorial districts of Algoma, Cochrane, Kenora, Manitoulin, Nipissing, Parry Sound, Rainy River, Sudbury, Thunder Bay and Timiskaming, may make a proposal to establish an ASB for the consolidation of service delivery on an area-wide basis.

3. Why apply?

ASBs are a made-in-the-north optional service delivery model developed by the Ministry of Northern Development and Mines (MNDM) after extensive consultation with northern stakeholders.

While permissive, an ASB can provide northern communities with an excellent opportunity to achieve greater efficiencies and reduce costs. ASBs offer a mechanism by which communities can manage/deliver services on an area-wide basis. ASBs also provide a tax levying authority that ensures all property owners in the board area share the costs of those services fairly.

The cost savings for the local taxpayer will come from the efficiencies gained from area-wide delivery and administration of selected services and more equitable tax allocation. The number of single-purpose bodies, each having its own administration costs, will be reduced.

4. Proposing an ASB

Proposals to create an ASB must be developed and agreed to locally. Northern municipalities and residents of the unorganized territory may submit a proposal to the Minister of Northern Development and Mines to create an ASB. The proposal must be submitted in accordance with Section 37 of the NSBA and would be required to specify:

- **The boundaries of the proposed Board area**
- **The name of the proposed Board**
- **The number of Board members and the communities to be represented**
- **Names of the members for the unorganized territory appointed to first Board**
- **The additional services that the Board requests to provide**
- **Demonstration of local support for the creation of an ASB (see Section on Support for a Proposal to Establish an ASB)**

Additionally, proposals should include the following information:

- **Name and Phone number of contact person**
- **Identification of the municipalities and unorganized territory affected**
- **Map of geographic area covered**
- **A brief description of the service area including:**
  - population
  - client base
  - identification of existing service delivery organizations affected by ASB proposal (e.g. Local Services Boards)
- **Proposed timetable for establishing the ASB**

ASB proponents are not initially required to provide detailed plans for the management and delivery of any of the programs contemplated. This information will be required as part of the program implementation plans to be developed later by the ASB proponents.

Northern communities wishing to proceed with an application for the establishment of an ASB would be required to submit their proposal to the Minister of Northern Development and Mines by March 31, 2002.

All ASB proposals will be reviewed against the NSBA and any applicable principles/guidelines and subject to the review by an Inter-Ministry Committee comprised of all ministries affected by the proposed ASB.

5. Statement of Principles

Proposals will be required to conform to the following Statement of Principles which must be taken into account when considering the creation of an ASB:

i Area Services Boards (ASB) will have clear responsibility to meet legislated and contractual obligations respecting provincial policies and standards and be accountable to local taxpayers, under the *Northern Services Boards Act*, for the effective and efficient management of the services consolidated within the proposed service area.

ii Services will be accessible to the public, with service management boundaries that are easily understood, take language and culture into account, and make sense in terms of existing transportation and communication patterns.

iii Service management boundaries will be defined so as to allow for effective strategic planning for the affected areas, and should be compatible where feasible with the existing boundaries used for planning and management of area wide services.

iv Where service management areas include unorganized territory, residents of those communities will have a say in how those services are managed.

v The efficiencies already achieved through the consolidated delivery systems that currently exist will be recognized and built upon.

vi To ensure a smooth transition, the implementation of an ASB proposal will proceed only after the District Social Services Administration Board(s) covering the area under consideration: has been designated under the *Ontario Works Act, 1997*; has assumed responsibility for sole support cases transferred from the Province; and has developed a plan for child care services.

vii The establishment of an ASB will ensure program integrity is maintained for consumers of existing service systems and will result in minimal disruption for consumers.

6. Process Steps for Developing ASBs

The process to create an ASB has been divided into three stages: Stage One – Proposal/ Application Phase; Stage Two – Development Phase; Stage Three – Implementation Phase. **At each stage, an inter-ministry committee will undertake a formal review to determine the proposal's viability prior to proceeding to the next stage.**

At Stage One, ASB proponents would contact MNDM to obtain more information regarding the creation of ASBs and/or to request an information meeting. Upon request, MNDM's

Northern Services Implementation Project, along with other affected ministries, would be available to provide information sessions to communities interested in the ASB model. These sessions would provide an overview of ASBs, process steps and the programs and services which could be consolidated within an ASB. A formal application would be submitted at this stage with a requirement to comply with Section 37 of the NSBA and the *Statement of Principles*.

At Stage Two, the proponents would complete a Business Case, in consultation with designated ministry representatives, to demonstrate the proposal's viability with regard to size, composition, service quality, efficiencies gained and potential cost savings.

At Stage Three, an *Implementation Plan* would be developed jointly between the proponents and the affected ministries and would include a *Transition Plan* to address the move from one service delivery body to another.

With approval of both plans, an ASB may be formally established by Order of the Minister of Northern Development and Mines. The Minister's Order would implement the proposal by setting out the Board's responsibilities, composition and the other matters referred to in the Act.

The overall implementation of an ASB will require that other Ministries enact concurrent regulations in order that the ASB has the formal legal authority required to implement specific programs.

7. French Language Services

The *French Language Services Act* R.S.O. 1990 Chapter F.32 does not apply to ASBs. ASBs are not agencies of the Government of Ontario and therefore, not subject to the Act.

However, the ability of the francophone residents to receive French language services is very important to the Government of Ontario. As such, the Province encourages municipalities and unorganized territories to consider bilingual services when developing an ASB.

Each Ministry will address the needs of the francophone community as the details of the service transfers are finalized, on a program-by-program basis. It is the Government's intention to provide for the continuation of bilingual services in appropriate instances through the Minister's Order establishing an ASB.

An important consideration when developing an ASB proposal would be the provision of ongoing service in French where people have been receiving services from the Province, as designated by the *French Language Services Act*. The Province would ensure, through a Minister's Order, that services required by the francophone community are there for them as they were prior to an ASB being formed.

Legislative Frameword For Establishing ASBs

Part II of the *Northern Services Boards Act* (NSBA), which allows for the creation of ASBs, came into force on April 1, 1999. The NSBA was introduced in support of the *Local Services Realignment* initiative and was the result of major consultation efforts with northern stakeholders.

Through this legislation, the Ontario Government is supporting northern communities to achieve greater efficiency and cost savings in managing/delivering a number of local services. MNDM takes great pride in knowing that the legislation was developed with ideas and input provided by northern stakeholders.

The NSBA allows communities in Northern Ontario to propose the establishment of ASBs to consolidate the management and delivery of a wide range of municipal services. In addition, once provided for in a Minister's Order, ASBs would have the authority, under the NSBA, to levy taxes within the board area.

The Minister of Northern Development and Mines wrote to all mayors, reeves and unorganized contacts in Northern Ontario on March 2, 1999 to formally announce the Proclamation of the NSBA and, at the same time, provided a copy of the Act.

Support For A Proposal To Establish An ASB

The following is Ontario Regulation 331/99 as amended by O.Reg. 246/00, made under the *Northern Services Boards Act*. This Regulation prescribes the "degree of support" required to make a proposal to the Minister in accordance with paragraph 37(1)(b) of the NSBA:

Support for a Proposal to Establish an Area Services Board

1. (1) This section applies with respect to all municipalities, including the area municipalities of The Regional Municipality of Sudbury, but, subject to subsections (7) and (8), not with respect to The Regional Municipality of Sudbury.

(2) A proposal to establish an area services board must have,

(a) the support of the majority of the municipalities in the proposed Board area; and

(b) the support of the majority of all of the electors, as defined in the *Municipal Act*, in the municipalities in the proposed Board area together with the residents of the unorganized territory in the proposed Board area.

(3) For the purpose of clause (2) (a), the residents of the unorganized territory in the proposed Board area shall be deemed to count as one municipality.

(4) If a municipality supports a proposal, it shall indicate its support by resolution.

(5) A municipality shall state in the resolution the number of electors that it represents for the purpose of determining the support for a proposal.

(6) For the purposes of clause (2) (b),
(a) if a municipality supports a proposal, all of the electors in the municipality shall be deemed to support it; and
(b) if the residents of the unorganized territory support a proposal, all of the residents shall be deemed to support it.

(7) If any part of the territory of The Regional Municipality of Sudbury is in a proposed Board area, the proposal must have the support of the Regional Municipality.

(8) If The Regional Municipality of Sudbury supports a proposal, it shall indicate its support by resolution.

2. (1) The procedures to be used to determine whether the residents of the unorganized territory in a proposed Board area support a proposal to establish an area services board are set out in this section and section 3.

(2) Support for a proposal shall be determined by a majority vote of the residents of the unorganized territory.

(3) The vote shall be conducted at one or more meetings called to determine support for the proposal.

(4) Each resident may vote at only one meeting.

(5) The meeting or meetings may be called under this section by any resident of the unorganized territory designated to do so by at least nine other residents.

(6) The designated resident shall give at least 14 days notice of any meeting that is called,
(a) by publishing notice of it in a newspaper that is of general circulation throughout the unorganized territory; or
(b) by any other means that will provide residents with adequate notice of the meeting.

(7) The notice shall state the purpose of the meeting, when and where all the meetings called are to be held, who is eligible to vote at it and when and where a copy of the proposal may be inspected.

(8) The designated resident shall ensure that a copy of the proposal is available for inspection within the unorganized territory or in an adjacent municipality at times and places that provide a reasonable opportunity to residents to inspect it.

(9) Any meeting under this section shall be held in the unorganized territory or in an adjacent municipality.

3. (1) A chair shall be elected for the purposes of a meeting by the residents who are present and eligible to vote on the proposal at the meeting.

(2) Each resident may vote in the election of the chair at only one meeting.

(3) The chair may make rules with respect to the manner in which the vote is to be conducted.

(4) The chair shall record the results of the vote, including the number of votes cast in support of the proposal and the number cast against it.

Inter-Ministry Relationship

Given that ASBs will be responsible for managing/delivering a wide range of services, regulated by several ministries, MNDM has established an Inter-Ministry Committee (IMC) to provide affected ministries with a forum to consider the impact of any ASB proposal on their ministry's interest.

Additionally, the IMC will oversee the creation of ASBs and will help prepare Implementation Guidelines for the development of proposals. The IMC would also hold information sessions with communities interested in the ASB model.

Current Consolidation Requirements

DSSABs are now in the process of consolidating the management of social assistance and child care programs and services. Social housing will be included in their consolidation of service management at a later date. With the passage of the NSBA, communities now have the ability to propose the establishment of ASBs to consolidate additional services and to achieve further cost savings and efficiencies.

While communities may desire additional consolidation opportunities offered through the ASB model, the former Minister of Northern Development and Mines encouraged all northern

stakeholders, in his March 2, 1999 letter, to continue with their efforts in establishing DSSABs. The experience in developing DSSABs will serve as the foundation for a smooth transition to an ASB.

The Minister's March 2, 1999 letter also stated that "to ensure a smooth transition, the implementation of an ASB proposal will proceed only after the District Social Services Administration Board(s) covering the area under consideration: has been designated under the Ontario Works Act, 1997; has assumed responsibility for sole support cases transferred from the Province; and has developed a plan for child care services".

Planning Process

1. Establish a Working Group

A critical step in the development of an ASB would be the establishment of a working group that includes representation from the municipalities and the unorganized territory within the ASB's proposed geographic area.

Decisions related to the size of the working group and its membership are to be made by the partners involved. The unorganized territory must be represented. Additionally, members of the working group do not have to be the same individuals who will sit on the Board.

2. Establish Geographic Boundaries

Given the permissiveness of the NSBA, there are no prescribed boundaries or size of an ASB. It is the choice and responsibility of the working group, with the support of the municipalities and unorganized territory, to consider the area to be represented by the board.

However, ASB proponents must be able to demonstrate that the boundaries selected are viable and consistent with the Statement of Principles included in this document.

3. Review of Service Delivery Options

The working group would take inventory of all services (core and non-core) currently being delivered in the proposed board area and determine which services would be best managed/delivered by a consolidated delivery agent.

In areas where a number of administrative bodies exist, which deliver the same services, the opportunity could exist through an ASB to realize additional cost savings and efficiencies. The working group would consider in their analysis the potential amount of costs savings (estimate) that could be achieved through consolidation.

MNDM's Northern Services Implementation Project team is available to assist proponents with examining service options and to act as a liaison between other ministries who may be able to provide financial information with respect to service delivery costs and impacts.

4. Status of Board

ASBs, when established through a Minister's Order, will be deemed a corporation without share capital that is composed of it's Board members. ASBs will not be required to apply for Letter's Patent under the *Corporations Act*. The *Corporations Act* and the *Corporations Information Act* do not apply with respect to the Board. Additionally, a Board is not a municipal corporation or a local board of such a corporation.

Each ASB will be governed by a Board of Directors representing the municipal councils and residents of the unorganized territory that it serves. Sections 39 and 40 of the NSBA specify the requirements and status of the Board.

5. Request for Information

Northern communities who are interested in finding out more about the requirements to consolidate municipal services management through an ASB model are encouraged to contact the Ministry of Northern Development and Mines - Northern Services Implementation Project (NSIP) at (705)564-7584. This team is available to assist northern communities interested in the opportunities provided by the NSBA.

> ***For more information about the Northern Services Implementation Project please visit our website at:*** **www.gov.on.ca/MNDM/nordev/NSIP/index_e.htm**

Additionally, the ASB Inter-Ministry Committee will hold information sessions with communities interested in the ASB model. These sessions would be provided once working groups have been established and would focus on providing an overview of all services contained in Section 41 of the NSBA. NSIP team members would be assigned to the working groups to assist in developing their application further.

ASB Taxation

For the purpose of funding service delivery in a Board area, all real property in the Board area is subject to taxation under the Assessment Act or the Provincial Land Tax Act. The NSBA creates two separate taxing models for ASBs. Both tax models are premised on the availability of a uniform assessment base (consistent assessment valuation date) across municipalities and the unorganized territory.

Under **taxation model 1**, the Board's costs are apportioned between municipalities and the unorganized territory in adherence to the formula established by the Lieutenant Governor in

Council (LGIC) by order. The Board requisitions the required amounts from each municipality and from the Province. The municipality includes the costs for the ASB in its budget and the ASB costs are included in the general municipal levy. As such, the ASB costs are treated in a similar manner to those of any local board. The municipality shall levy and collect the amounts required to be raised and shall remit the amounts to the Board. For those costs attributed to and requisitioned from a municipality, the application of the municipal tax ratios determine municipal tax rates for different property classes.

For those costs attributed to the unorganized territory and requisitioned from the Province, the Minister of Finance shall establish the appropriate Provincial Land Tax rate(s) to apply to the unorganized territory within the Board's jurisdiction. Those properties in the unorganized territory within the ASB service area will pay a separate PLT amount with respect to the ASB (separate from the PLT tax that applies generally). The Minister of Finance shall levy and collect under the Provincial Land Tax Act the amounts apportioned to unorganized territory in the Board area and shall remit the amounts to the Board.

Under **taxation model 2**, the Board acquires new taxation powers. The Board no longer requisitions funds from municipalities and the Province, but taxes all property directly. The Ministry of Finance is required to prescribe transition ratios for the Board. The Board may adopt these transition ratios as the tax ratios for the Board, or it may choose to move its tax ratios closer to the provincial ranges of tax fairness. The Board cannot adopt tax ratios which exceed the prescribed transition ratios.

Unless the Minister's order specifies otherwise, the Board's tax ratios apply for both Board and municipal purposes. A single set of tax ratios is anticipated to apply for all purposes across all jurisdictions within the ASB service area. As a result, municipal tax ratios would no longer determine municipal tax rates for municipal purposes. The Board's tax ratios will determine the municipal tax rates which apply for services provided by municipalities in the Board's jurisdiction.

For Board purposes, the Board's tax ratios result in a single set of tax rates to apply throughout the Board area. The same ASB tax rate applies to the same property class in a municipality and in the unorganized territory. While the ASB determines the Board's tax rates, within organized territory the municipalities act as the tax collector on behalf of the Board. Municipalities levy the Board's tax rates and collect the amounts required by the Board and remit those amounts to the Board.

The Board levies and collects the tax directly in the unorganized territory. Under tax model 2, Provincial Land Tax no longer applies in the Board area. The Province and local services boards and local roads boards in the Board shall requisition costs from the Board the amounts required to fund the services they provide. As such, the ASB becomes the tax collector for other bodies providing services within the unorganized territory.

Glossary:

Transition Ratios

The Minister of Finance will prescribe transition ratios for property classes. Generally, transition ratios allocate the distribution of taxation among various

property classes to reflect the relative proportion of the total tax burden borne by each property class across the jurisdiction at a point in time. Transition ratios prevent inter-class shifting on a jurisdiction-wide basis.

Tax Ratios

Tax ratios are the relationship between the tax rate on one class of property and the tax rate on the residential property class. The tax ratio for the residential property class is established in statute at 1 and is the benchmark for the set of tax ratios.

Tax ratios must be established for each property. The tax ratios can be adopted at the transition ratios set by regulation, or changes in tax ratios must be consistent with the Ontario Fair Assessment System (OFAS) rules for ratios. Where transition ratios are above the range of fairness permitted by the Province, the only allowable change is to lower ratios for some property classes toward to range of fairness.

Ranges of Fairness

The ranges are parameters set by the province which represent the desired level of tax variation among property classes relative to the residential benchmark set at 1.

Tax Rates

Tax rates are applied against the value of a particular property to determine the amount of taxes payable.

The choice of a particular set of tax ratios will fully define all tax rates for all classes once the overall levy requirement has been determined. The levy requirement divided by the weighted current value assessment will produce the residential tax rate. All other tax rates are calculated by applying the applicable tax ratio to the residential tax rate.

Consolidation Requirements – Core Services

1. ONTARIO WORKS – Ministry of Community and Social Services

Legislative Framework

With the passage of the *Social Assistance Reform Act* (SARA) in November 1997, the government created the *Ontario Works Act, 1997* and the *Ontario Disability Support Program Act, 1997*. SARA is the first major reform of social assistance legislation in 30 years.

The *Social Assistance Reform Act* replaced:

1. **the *General Welfare Assistance Act*;**
2. **the *Family Benefits Act*; and**
3. **the *Vocational Rehabilitation Services Act*.**

The *Ontario Works Act*, which was proclaimed on May 1, 1998, specifies the type of assistance that each Ontario Works delivery agent must provide. Delivery agents include CMSMs, including DSSAB's and First Nations. There are two types of assistance; basic financial assistance and employment assistance. Financial assistance is paid to people who meet eligibility requirements and employment assistance is provided to help people become and stay employed.

The *Ontario Disability Support Program Act*, which was proclaimed June 1, 1998, introduced a new program of income support designed to meet the unique needs of people with disabilities. The Ontario Disability Support Program (ODSP) moves people with disabilities off the welfare system. The province is delivering the ODSP.

Social Assistance Programs

The Ontario Works program helps people in financial need become employed and helps them achieve self-sufficiency. Eligible participants have the responsibility to participate in program activities as a condition of eligibility for financial assistance. The Ontario Works program has a responsibility to offer employment assistance to participants to enable them to become self-sufficient.

Program Overview

The *Ontario Works Act* specifies the types of assistance that every Ontario Works delivery agent must provide. Delivery agents include consolidated municipal delivery sites and First Nations. There are two types of assistance: basic financial assistance and employment assistance.

Basic financial assistance includes:

- income assistance provided for the purposes of basic needs and shelter;
- benefits as prescribed in the regulations, e.g. prescription drugs; and
- emergency assistance, provided to help with basic needs and shelter on an emergency basis.

Employment assistance includes:

- Community participation: activities that allow people to contribute to the community and improve their employability; and
- Other employment measures, including;
    - *job search;*
    - *job search support services;*
    - *referral to basic education and job-specific skills training;*
    - *employment placement, including job placement, enhanced employment placement and support to self-employment;*

- *Learning, Earning and Parenting (LEAP); and*
- *Other measures that may be prescribed in regulations.*

Key Directions

- A streamlined funding model for employment assistance has been developed in consultation with the joint provincial-municipal advisory group of the OW funding Framework Project. This model will be implemented for calendar year 2000.

- Work is continuing on the development of a new funding model for Ontario Works administration for implementation in 2001. Funding will be based on service units and linked to employment outcomes and program integrity.

- In November 1999, the Ontario Works Action Plan for Community Placements was released which focused on increasing numbers of community placements across Ontario to give more opportunities to more participants. The key elements of the Ontario Works Action Plan for Community Placement include:

    - Increased funding for municipalities that exceed the minimum provincial service levels for community placements in 1999, 2000 and 2001.

    - An Ontario Works Community Placement Secretariat established by the Ministry to oversee the implementation of the Action Plan.

    - A $10 million Ontario Works Community Placement Innovation Fund, administered by the Community Placement Secretariat, to act as a catalyst for increasing placements across the province. Funding is provided at 100% provincial dollars.

    - Enhancement to Ontario Works job placement to provide additional tools to help people access employment and receive needed training to remain employed.

    - Continued implementation of Learning, Earning and Parenting (LEAP), a targeted strategy of Ontario Works employment assistance that will assist young parents to complete high school and develop parenting skills.

Ontario Disability Support Program

- As of April 6, 1999, OW and ODSP offices are distributing Disability Determination Packages (DDP), rather than the Disability Adjudication Unit.

- The Implementation of the Employment Supports component of ODSP in January 1999.

Governance

The *Ontario Works Act, 1997* (OWA), provides authority for the Director to designate delivery agents for a geographical area. Delivery agents manage the delivery of Ontario Works for all municipalities and unorganized territories within it's boundaries. The Director has the right to revoke a designation.

The OWA provides the necessary legislative framework to place clear obligations on the delivery agent to offer specific types of assistance that will help the recipients to become self-reliant, provide the necessary authority to administer that assistance and to recover some or all of the assistance provided under specific circumstances.

The OWA provides authority for the ministry to set and enforce province-wide program and delivery standards. A delivery agent is required to meet service, delivery and operating standards prescribed in regulations, to ensure consistency and high quality services throughout the province.

A delivery agent may only contract out eligibility determination if the agreement is with another delivery agent, a municipality or a DSSAB. The agreement must require the other person to comply with any duties of the delivery agent under the Act with respect to that authority and must authorize the delivery agent to cancel the agreement if the other person does not comply with those duties.

Through authority within the OWA, the province will require that delivery agents use a single, province-wide technology system. The ministry is working toward large-scale business process re-engineering that will be supported by new technology. Current, outdated systems will be retired once new business practices and technology are implemented.

Once an ASB is established by order of the Minister of Northern Development and Mines under the Northern Services Boards Act, it will assume responsibility for Ontario Works, unless the assumption of responsibility for that service is postponed through the Minister's Order.

Implementation: Options + Requirements

Municipalities, DSSAB's and First Nations are the service delivery agents for Ontario Works, based on approved business plans. The legislation provides Ministry of Community and Social Services (MCSS) with the option to name an alternative service delivery agent. It also makes provision for delivery agents to contract out prescribed functions relating to the delivery of Ontario Works. (MCSS) is the delivery agent for ODSP.

MCSS announced enhancements to employment placement activities in December 1998. Implementation proposal guidelines were distributed in Spring 1999. Additional tools are being made available to help Ontario Works participants get jobs and keep them. These enhancements include follow-up human resources services to employers during the placement period, financial incentives to offset employer costs, including training and assistance with workplace safety and insurance coverage (WSIB).

Learning, Earning and Parenting (LEAP) is a targeted strategy of Ontario Works Employment Assistance that focuses on parents between the ages of 16 and 21 and their children. This program will assist young parents to complete high school and develop parenting skills.

Administration + Process

The delivery agent and the MCSS Regional Office negotiate business plans. The business plan combines financial assistance, community participation and employment measures into a mandatory program focused on getting people back to work as quickly as possible. A Business Plan contains three year service targets and unit costs.

The province and delivery agent, enter into an annual service contract agreement. The service contract outlines the appropriate service targets and unit costs as set out in each delivery agent's business plan.

Financing

The Ontario Works Act provides for cost sharing of program and administration costs between the province and the delivery agent. In the North, the province is responsible for 100% of Ontario Works costs attributed to territory without municipal organization.

The table below outlines the provincial and delivery agent ratio. Percentages are expressed as a provincial:municipal ratio. For example, 80:20 reflects an eighty percent provincial share and a twenty percent municipal share of costs.

Ontario Works			
1997 GWA/Ontario Works		As of 1998 Ontario Works	
80:20	**Allowances / Benefits**	**80:20**	**Assistance:** • **Basic Financial assistance** • **Employment assistance** (employment support services, community placement, job placement including enhanced job placement, self-employment development, Learning , Earning and Parenting, participation-related expenses, including access for people with disabilities)
80:20 and/or **100:0**	**Early Implementation of Ontario Works** (employment support services, community placement, job placement)	**80:20**	
50:50	**Cost of Administration**	**50:50**	**Administration** • Includes administration of both financial and employment assistance

Municipalities are also funding twenty percent of Ontario Drug Benefit costs for people on social assistance.

Implementation Tools + Supporting Information

The following tools have been developed and distributed to assist municipalities delivering Ontario Works:

- Ontario Works Policy Directives;
- Ontario Works Transition Directives and Bulletins;
- *Implementation Tool Kit* To Assist in Planning for Provincial/Municipal Case Integration for Ontario Works and Transfer of Responsibility for Managing Child Care Delivery;
- Ontario Works Technology;
- 2000 Business Instructions;
- 2000 Service/Budget Submission Package;
- Provincial/Municipal Training manuals: LSR Cost Sharing Implementation;
- Directive package dated December 23, 1997: January 1998 Program and Cost Sharing Changes;
- LEAP Transition Funding Guidelines and the LEAP Planning Support Package;
- Child Care Strategic Management Guidelines;
- Strategic Management of Child Care Funding to Support OW; and
- Implementation Proposal Guidelines for Employment Placement.

Ontario Works Technology

The Ministry of Community and Social Services, through the Automating Social Assistance Project (ASA Project), has been working with SHL Systemhouse in the development and delivery of Ontario Works Technology (OWT).

OWT has been developed to assist municipalities in meeting the administrative and reporting requirements of the Ontario Works program. OWT was implemented in 168 municipal sites and 4715 staff were trained.

Ontario Works technology is an interim technology designed to use the same hardware and technology architecture as the Ministry's Caseworker technology. Ontario Works technology is offered to municipalities as a complete package.

Municipalities receiving OWT will receive ASA Project developed software, leased computer equipment to run the software, installation of equipment, staff computer application training, and ongoing technical support.

MCSS is providing the same financial and cost-sharing arrangements to municipalities implementing Ontario Works technology as provided for its other major technology initiative – Caseworker Technology.

Service Delivery Model

In January 1997, the Ministry of Community and Social Services (MCSS) entered into a partnership with the private sector to gain access to leading technology and business practices for the delivery of social assistance and employment programs. The Business Transformation Project (BTP) will replace outdated mainframe technology, reduce social assistance overpayments and fraud, and eliminate duplications and inefficiencies in business practices through implementation of the new Service Delivery Model (SDM). Once implemented, the SDM will improve client service, standardize and streamline administration processes, and reduce program cost.

Municipal input is a vital part of the BTP work in the development and implementation of a new Service Delivery Model. Staff from municipalities work full-time on the BTP. Municipal staff also contribute to the BTP's work through the Municipal Reference Group, the Quality Council and the BTP Steering Committee. In addition, municipal staff contribute regularly in BTP user and focus groups.

Changing Roles + Responsibilities

	Roles and Responsibilities: Ontario Works	
	Province	Municipalities
Strategic Planning	• establishes policy objectives, legislation, regulation and cost sharing • establishes audit framework	• business planning for local service systems • plan for funding responsibilities • allocate resources
Service System Management	• provides directives and guidelines • provides technology support systems • monitors and endorses program standards	• program management • establish local / discretionary practices • consult with province
Service Delivery	• cost sharing	• cost sharing • direct service delivery responsibility

2. CHILD CARE – Ministry of Community and Social Services

Legislative Framework

The *Day Nurseries Act (DNA)* and the Regulations under this Act provide the legislative framework for the provision of child care services, the management of the delivery of those services, the licensing of day nurseries and private home day care agencies, and the setting of standards for licensed day nurseries.

Delivery agents

The DNA provides for the designation of delivery agents that are responsible for managing the delivery of child care services. Upon being established, ASBs would be designated as child care delivery agents (see Governance Section below).

Services to be managed by delivery agents:

- Assisted services covered by the DNA be managed by delivery agents include: the provision of fee subsidies for eligible children, the provision of wage subsidies, the provision of funding for resource centres, and the provision of funding for special needs resourcing.

- Delivery agents also assume responsibility for managing the delivery of Ontario Works child care, as provided for under the *Ontario Works Act, 1997*.

Cost sharing

The DNA and its regulations provide for the cost sharing of child care services managed by the delivery agent (see Financing Section below).

Licensing

The DNA provides for the licensing of day nurseries and private home day care agencies. The DNA Regulations set standards for licensed child care. The province is responsible for issuing licenses and monitoring compliance with standards.

LSR-related amendments to the DNA

The DNA was amended by Schedule C of the *Services Improvement Act (SIA)*, which came into effect January 1, 1998. The amendments to the DNA, along with amendments to the DNA

Regulations, formed the basis for the implementation of the child care component of the government's Local Services Realignment initiative. Amendments to the DNA provided for the management of the delivery of child care services by municipalities and prescribed boards, and provided for the cost sharing of those services.

The LSR-related amendments to the DNA created a child care system which is both more efficient and more responsive to local needs. These amendments also recognize the role of child care services as an important support to employment, a component of integrated services for children, and a vital support to families. The standards for licensed child care specified in the DNA Regulations before January 1, 1998 were not affected by the LSR amendments.

Governance

The DNA provides the authority for the Minister of Community and Social Services to designate delivery agents (municipalities or prescribed boards) for a geographic area. Delivery agents are designated by Minister's Regulation, and manage the delivery of child care services for all municipalities and territory without municipal organization within its boundaries. Delivery agents operate within a framework of provincial regulations, policies, and guidelines.

The Ministry could act as a delivery agent or enter into an agreement with a person to act as a delivery agent if required, in a geographic area.

The Minister of Community and Social Services has designated 47 CMSMs as child care delivery agents. In Northern Ontario these consist of the 10 DSSABs and the Regional Municipality of Sudbury. The first CMSM designations occurred on April 1 1999, and all were in place by January 1, 2000.

Once an ASB is established by order of the Minster of Northern Development and Mines under the *Northern Services Boards Act*, it will assume responsibility for child care, unless the assumption of responsibility for that service is postponed through the Minister's Order.

For the ASB to take over responsibility for child care, it will also be necessary for the ASB to be designated as a child care delivery agent under the DNA. This, in turn, would require the revocation or modification of the child care designations of the DSSABs affected by the establishment of the ASB.

Administration + Process

Upon designation, the province enters into a service contract with the child care delivery agent, which identifies the total amount of the child care funding to be managed by the delivery agent. The contract also specifies the budget for each child care service, and the budget for delivery agent administration.

The delivery agent, in turn, provides funding to service providers through contracts with those agencies.

As outlined in the Child Care Service Planning Framework, released in December 1998, it is the responsibility of delivery agents to develop local service plans and identify new service targets and service levels. The province expects that in the future the approval of delivery agent service contracts will be based on the content of these plans.

It is anticipated that ASBs, as child care delivery agents, will also be responsible for developing local child care service plans.

Financing

The DNA and its Regulations provide for the sharing of the cost of child care services among the province, municipalities, and persons living in territory without municipal organization. The province will advance to the delivery agent 80% of child care program costs, and 50% of child care administrative costs.

Implementation Tools + Supporting Information

When a delivery agent is designated under the DNA, it must be ready to assume responsibility for managing the delivery of child care services.

A number of supports were developed by the province in order to facilitate the transfer of child care service management responsibilities to the 47 CMSMs.

- **Child Care Service Management Guidelines, released in July 1999;**
- **The computerized Ontario Child Care Management System (implementation began in December 1999);**
- **The Child Care Service Planning Framework released in December 1999.**

These supports would also be of use to ASBs as they prepare for the assumption of child care services. MCSS is prepared to update existing supports or develop new ones as required.

As has been the case with the transfer of responsibility for the management of child care services to the 47 CMSMs, MCSS is prepared to provide training to ASBs in the period preceding and following child care designation. Among other things, training would cover fee subsidy management, the Ontario Child Care Management System, and local service planning.

Because responsibility for the management of child care services has already been assigned to the local level, the province expects that ASBs will make full use of local knowledge and resources in becoming "implementation ready" to assume responsibility for child care. As noted in the Introduction, the province requires that prior to the establishment of an ASB, the DSSABs affected by an ASB application are required to have completed the full implementation of a strategy for the consolidated management of the delivery of child care services.

Changing Roles + Responsibilities

	Roles and Responsibilities: Child Care	
	Province	**Delivery Agent (CMSM or ASB)**
Strategic Planning	• sets legislative framework, standards, policy objectives and policy directions	• participate in policy forums and joint working groups • provide information, consultation and advice
Service System Management	• issues directives and guidelines • reviews delivery agent's budget and enters into service contract with delivery agent • monitors: budget; service contract; compliance with directives • develops child care service planning framework and approves local child care plans • promotes linkages to other children's services • funds development of the Ontario Child Care Service Management System	• enter into service contracts with MCSS • manage implementation of service contracts • manage the delivery of child care services consistent with MCSS directives and guidelines • develop local child care plans • install and maintain an information technology system required for service management, and to meet provincial reporting requirements
Service Delivery	• continues to licence, inspect and enforce standards • funds 80% share of program costs and 50% share of administrative costs	• fund 20% of program costs and 50% of administrative costs • enter into agreements with service providers for child care services • manage fee subsidies (take client applications, administer eligibility test, place children, manage waiting list)

3. SOCIAL HOUSING – Ministry of Municipal Affairs and Housing

Legislative Framework

A three-stage process is underway for the transfer of social housing to municipalities:

- **Transfer of financial responsibility as of January 1, 1998.** Reform and simplify administration of the social housing system in Ontario. Transfer of responsibility for administration to District Social Services Administration Boards (DSSABs).

- **The *Services Improvement Act, 1997* came into force on January 1, 1998.** It sets out legislative authority for new provincial and municipal funding responsibilities effective January 1, 1998.

Schedule F of the *Services Improvement Act, 1997* contains the *Social Housing Funding Act, 1997* which provides the province with the authority to recover from the municipal sector the province's costs of administering and funding social housing programs, including programs for non-profit corporations, nonprofit housing cooperatives, and the Ontario Housing Corporation. This applies to costs incurred on or after January 1, 1998.

Section 4 of the *Social Housing Act, 1997* allows for costs to be allocated to regional municipalities, counties, separated municipalities, district municipalities, the restructured County of Oxford, cities, towns, townships and villages in territorial districts and prescribed boards and agencies such as District Social Services Administration Boards (DSSABs).

Several sets of regulations have been passed into law which provide more detail about how the new funding arrangements are to be implemented. Key regulation references are:

O. Reg. 488/97 was the first regulation and describes the billing process, allocation factors etc. Subsequent regulations are amendments to this regulation.

O. Reg. 101/98 amended the cost allocation tables to reflect updated assessment information.

O. Reg. 170/98 amended the requirements for timing of the Notice *O. Reg. 267/98* excluded costs attributable to certain non-profit housing which provides dedicated supportive housing to its residents. It also amended the cost allocation tables to reflect some municipal reorganizations.

O. Reg. 281/98 enables counties and separated municipalities to have alternate cost-sharing arrangements, through negotiated agreements or where there is no agreement, made arbitration available. It also provided for the billing of DSSABs.

O.Reg 456/98 amended the requirements for timing of notice and amended the cost allocation tables. *O.Reg 636/98* amended the cost allocation tables to reflect municipal reorganizations.

O.Reg 44/99 **and 111/99** changed the entities to be billed to reflect those entities (including DSSABs) which have been designated as delivery agents for Ontario Works . These entities are the CMSMs (Consolidated Municipal Service Managers). As a result of these changes, all of the cost allocation tables except for the GTA were revoked.

O.Reg 111/99 also changed the definition of billing period to bring it into line with municipal accounting practices for accruing expenditures into the calendar year.

O.Reg 134/99 amended the cost allocation table for the GTA

O.Reg 545/99 included the costs incurred in unorganized territories into the calculation of the allocation of social housing costs. It also excluded from the allocation of social housing costs any net operating deficits incurred by Local Housing Authorities as a result of certain property damages.

As of January 1, 2000, the Ministry is also in the process of proposing a regulation amendment to include costs related to the administration of the non-profit housing program in the allocation of social housing costs.

Municipal Funding

The funding responsibilities of the regional municipalities and the DSSABs are established in regulations along with a table of percentage values allocated to each.

In February and April of 1999, the delivery agents for the Ontario Works program were designated as CMSMs (Consolidated Municipal Service Manager). These include the DSSABs. The Ministry bills the DSSAB for the costs of social housing in the territory over which it has jurisdiction.

The CMSM has cost-sharing arrangements with its member municipalities to enable it to recover its costs. In Northern Ontario, where the DSSABs include territory without municipal organization, the DSSAB bills the Ministry for the share of costs apportioned to the unorganized territory.

The amount billed to the DSSAB is based upon the legislation and regulations. In essence, all costs incurred in funding or administering the social housing programs in the area over which the DSSAB has jurisdiction are billed. Some exceptions to this are:

- If a Local Housing Authority incurs a net operating deficit at the end of the year as a result of certain types of property damage (eg fire or wind loss), then the CMSM will not be billed for the net operating deficit caused by this event

- Even though the legislation allows the Ministry to bill municipalities for the Rural and Native Housing Program, it is currently not billing municipalities for this program.

- At times, certain extraordinary expenditures occur which the ministry has the legal authority to bill the CMSM/DSSAB for, but decides not to. Examples of this include the

Ice-Storm damage in Eastern Ontario in January 1998, and Y2K expenditures made in 1999.

As of January, 2000, DSSABs are not billed for the ministry's cost in administering the non-profit housing program. The government announced in November, 1999 that it will start billing DSSABs for these costs starting on April, 2000. This is subject to regulatory approval.

Background: The Social Housing System

The Social Housing System:

The subsidized social housing system has approximately 271,000 units.

Federal and provincial roles:

Social housing is currently administered by both the federal and provincial governments under the following categories:

Ontario Housing Corporation stock administered by the province (84,000 units).

Federal-provincial non-profits and cooperatives administered by the province (49,000 units).

Provincial unilateral non-profits and cooperatives administered by the provincial government (51,000 units).

Non-profit and co-op units administered by the federal government (53,000 units).

The remaining stock includes rent supplement units (19,000) and Toronto Housing Company units (15,000).

The difference between public housing and nonprofit and co-operative housing:

Local Management:

Non-profit, co-operative and OHC units are all managed within the community through community-based boards of directors and Local Housing Authorities (LHAs). This means that day-to-day decisions about how local housing projects are managed are currently made by local community representatives.

Different ownership:

Public Housing:

Public housing is owned and operated by the provincial government through the Ontario Housing Corporation. 54 local Housing Authorities (LHAs) act as delivery agents responsible for the management of OHC's portfolio. Each LHA is governed by a Board of Directors.

Non-Profit:

Nonprofit and cooperative housing is owned and operated by nonprofit corporations and subsidized by the government. Both non-profits and co-operatives have boards of directors. Co-operatives are corporations owned by their members (i.e., residents) and the board of directors is made up of members of the co-op.

Different histories:

Public Housing:

Public housing was first built by municipalities between the early 1960's and late 1970's. In the 1960s, the Ontario Housing Corporation was created and took over title of the municipal projects and the management role.

Non-Profit:

Nonprofit housing was first sponsored by the federal government in the 1970s (federal unilateral programs). In 1986, the provinces began participating (federal/provincial programs), and Ontario began sponsoring nonprofit housing unilaterally in 1987 (provincial unilateral).

Different debt:

Because public housing is older and was built when land prices were lower, the debt is moderate - much less than the value of the projects. Non-profit housing was built more recently when land and construction prices were high. The debt is significantly greater than the value of the projects. Ontario is responsible for ensuring payment of the loans for this debt. Thirty-five-year operating agreements govern both the federal and provincial funding obligations.

Different condition of stock:

OHC has spent over $500 million on capital improvements to the housing stock in the past five years. Recent independent surveys indicate that the public housing stock is in good condition.

The provincial government recently invested $172.5 million in 1997 in the non-profit and co-op reserve funds. Major capital expenditures are not anticipated due to the fairly recent construction of Non-Profit housing.

Social Housing Subsidy Model:

Basically, the province pays the difference between costs such as: mortgages, operating costs; maintenance and capital repairs; taxes; and revenues or rents. Subsidy is paid to the "social housing provider" the local housing authority in public housing, or the non-profit or co-operative housing organization.

There are actually two different subsidies within the social housing subsidy model:

- **Rent Geared-to-Income (RGI) Subsidy and Occupancy Charge Geared-to-Income Subsidy**
  Most of the people who live in social housing pay a "rentgeared-toincome" or RGI or an occupancy charge geared-to-income. For these people, the government is subsidizing the difference between 30 per cent of their income and the rent they would have to pay in the private sector (market rent). Some tenants/residents pay "market rent".

- **Bridge Subsidy (bricks and mortar)**
  In nonprofit housing, much of the government subsidy goes to pay for the buildings themselves, i.e., the difference between the market rent for a unit and the actual financing and operating costs of that unit (the economic rent). This is in addition to helping people pay their rent. There is no bridge subsidy in public housing; most of the subsidy is to help people pay their rent.

Operating agreements between the province and the non-profit housing providers determine and set out the subsidy levels.

The Report of the Social Housing Committee, released November 3, 1998, provides a proposed framework for a reformed social housing system. The report recommendations will be taken into consideration before making decisions on implementation of social housing program reform. For a copy of the Report, please call the Ministry of Municipal Affairs and Housing, Communications Branch at (416) 585-7041.

Social Housing Funding:

The total cost of housing assistance in Ontario is $1.3 billion, which is cost-shared with the federal government. The breakdown is based on the most recent complete provincial and federal figures as follows:

In 1999 it is estimated that OHC and Local Housing Authority administered programs cost $390 million, of which the federal government contributed $195 million and Ontario municipalities $195 million.

In 1999, it is estimated that provincially-administered non-profit housing, including the pre-73 stock of the Toronto Housing Company cost $733 million, of which the federal government contributed $170 million and Ontario municipalities $563 million.

The federal government is planning to devolve more than 31,000 units of federally-administered housing to the province. The most recent available information indicates that this housing costs about $125 million, of which the federal government contributes $98 million and Ontario municipalities $27 million.

In addition, the federal government has decided to retain the administration of more than 16,000 units of co-op housing. These unit cost $57 million, of which the federal government contributes $45 million and Ontario municipalities $11 million.

Social housing tenants:

The profile of occupants of social housing is reflective of the broader community including families, singles, seniors and people with special needs.

In the Ontario Housing Corporation, about 50 per cent of the tenant households are families; about 33 per cent are seniors and approximately 15 per cent are singles. In non-profit housing, the estimated proportion of families is even higher - about 65 per cent of the units; seniors make up 20 per cent and singles less than 15 per cent.

Approximately 60,000 tenants (36 per cent) in social housing who receive a RGI subsidy also receive social assistance.

Up to 10 per cent of units in social housing are occupied by special needs tenants which include frail elderly, physically disabled person and consumers of mental health services.

These tenants require some level of essential support services to live in the community instead of an institution.

Legal and financial commitments:

In November of 1999 the province signed a new social housing agreement with the federal government. This agreement will:

Transfer administration of federal unilateral programs to the province.

"Anchor" federal dollars by establishing what level of continued financial support will be provided by the federal government.

Provide the flexibility to devolve administration of federal/provincial non-profit projects to municipalities.

It should be noted that non-profit housing is owned by the non-profit and cooperative groups.

Federal projects will be transferred to the DSSABs as part of the devolution process. Copies of the federal-provincial agreement have been provided to the DSSABs. These copies included a list of federal projects in the DSSAB.

The process for the transfer of administration of the Rural and Native Housing Program (RNH) and the Urban Native Housing Program (UNP) will be quite different from the rest of the social housing portfolio. MMAH will be conducting consultations to receive comments and suggestions from key stakeholders within the RNH and UNP. The timing for the transfer may or may not fit into the schedule for the rest of the social housing portfolio that is being transferred.

The UNP operates similarly to other non-profit housing providers, with the exception that 100% of the residents are Aboriginal. The UNP is a unilateral federal program.

Unlike the UNP, there are no housing providers with the RNH per se, the rental units are owned directly by CMHC (now the Province) although a number of aboriginal organizations provide property management functions. The federal government pays for 75% of costs to operate the RNH and the Province pays for 25% of these costs.

Who will provide administration of the UNP and RNH and how this will be provided will not be known until after the consultations are completed. MMAH staff will produce a summary report of the consultations and provide a final set of recommendations for review by the Minister.

Currently, there is approximately $1 billion in debentures against OHC property.

Governance

The *Services Improvement Act*, which implemented the first stage of social housing devolution (interim billing), did not lead to any changes regarding municipal governance.

Implementation: Options + Requirements

There is no proposed change in service delivery for the first stage of social housing devolution.

Administration + Process

There is no change during the first stage of social housing devolution, other than the development of a charge-back billing process to recover the provincial cost of social housing from municipalities as of January 1, 1998. With completion of a federal/provincial agreement, the second stage of the transfer of social housing will involve reforming social housing programs to simplify administration of several social housing programs all with slightly different requirements.

In January 1998, the Minister of Municipal Affairs and Housing appointed a Social Housing Committee and three working groups to build on the Advisory Group's recommendations and work out the details of reform. The committee released a discussion paper for comment in August 1998. The committee's final report, *Report of the Social Housing Committee*, was released on November 6, 1998. The province is in the process of reviewing the report before making decisions on implementation of social housing program reform. For a copy of the Report, call the Ministry of Municipal Affairs and Housing, Communication Branch at (416) 585-7041.

The third and final stage of social housing devolution that will transfer administrative responsibility to the municipalities will follow decisions on program reform and the signing of a new federal-provincial agreement on social housing.

Financing

As of January 1, 1998, municipalities were responsible for the provincial cost of social housing.

In the first stage, there are no financing changes affecting social housing providers, tenants or members of nonprofit housing cooperatives. The ministry will collect money from municipalities and will continue to flow money to providers.

Supportive Housing

In June 1998, the province announced that dedicated supportive housing (housing entirely occupied by tenants who require support services to live independently in the community, where providers also get funding for support services from another provincial ministry) will be transferred to the appropriate support service ministry, either the Ministry of Community and Social Services or the Ministry of Health.

As of April 1, 1999 the Ministry of Community and Social Services and the Ministry of Health have taken over the responsibility for the dedicated supportive housing projects.

These ministries are currently examining the list of federal projects covered by the recently signed federal-provincial agreement. A decision will be made in the near future as to which of these projects will also be transferred to the support ministries and therefore not included in the DSSAB social housing portfolio.

- Questions and Answers -

What is the status of negotiations with the federal government?

The federal-provincial agreement was signed on November 15, 1999.

Federal co-operative projects are not included in the agreement.

When will the transfer of administration of social housing to the municipalities take place?

It is anticipated that transfer of administration will take place within 18 months of the passing of proposed legislation. This legislation is scheduled for the Spring or Fall of 2000.

What is the role of the local housing authorities?

Fifty-four local Housing Authorities (including the Metropolitan Toronto Housing Authority), located throughout the province, are responsible for the day-to-day management of the province's public housing portfolio. The Housing Authorities act as delivery agents for OHC. The *Services Improvement Act* does not change the relationship between the OHC and the local housing authorities.

Some of the geographic areas serviced by the LHAs do not match the boundaries of the CMSMs/DSSABs. In 2000, OHC plans to realign these LHAs to match the boundaries of the CMSMs/DSSABs. LHA realignment is being proposed as a means to simplify the administrative relationship between the CMSMs/DSSABs and the LHAs. The housing authorities that would need to be divided to match the CMSMs/DSSABs boundaries are not being pursued at this time.

How is public housing different from non-profit housing or co-ops?

OHC's public housing is owned and managed by the province, while non-profit housing and co-ops are owned and managed by community-based or municipal providers.

What is OHC's current focus?

In the past few years, OHC has focused on taking a more businesslike approach to its assets and service delivery. While there is still work to be done, OHC has been getting more value for each taxpayer dollar by finding efficiencies within the organization.

When the government decided that the delivery of public housing would be administered at the municipal level, OHC began refocusing its internal restructuring initiative on streamlining operations to prepare for this transition.

What is OHC doing to maintain its housing stock?

In the period 1992 to 1999, $812 million has been spent on capital improvements to OHC's public housing stock. OHC has developed an asset management system to assess the general condition of its housing stock and project its five-year capital funding requirements. A total of $117 million was spent on capital improvements for OHC's buildings in 1998, $100 million was budgeted in 1999 and a further $100 million is budgeted for 2000".

4. LAND AMBULANCE – Ministry of Health and Long Term Care

Land ambulance is a health care service that is also an emergency service.

Ambulance services operate without boundaries or consideration of jurisdiction. The closest available ambulance is always dispatched to an emergency call regardless of home location. To be effective, ambulances need to be able to cross municipal, provincial and international boundaries to respond to requests for assistance.

All ambulance services are part of existing provincial and federal joint response and contingency planning efforts. These include mass casualty incidents, hospital evacuations, health facility relocations, exotic infectious disease transport management, hazardous/ nuclear incident patient transport management, airport incident response events, tiered response programs with police, fire, coast guard, First Nations, parks services, armed forces, and ambulance service to all military facilities, services and staff.

Legislative Framework

The *Ambulance Act*, as amended by the *Services Improvement Act, 1997*, the *Tax Credit and Revenue Protection Act, 1998*, and the *More Tax Cuts for Jobs, Growth and Prosperity Act, 1999*, sets out the legislative framework for funding and delivery of ambulance services under municipal jurisdiction. Further amendments to the *Ambulance Act*, contained in the *Red Tape Reduction Act, 1999*, are expected to be proclaimed in force in the spring of 2000. These amendments deal with the change from a licensing to certification scheme.

On January 1, 1998, each upper-tier municipality (regional and county governments or their municipal equivalent) became responsible for funding all costs associated with the provision of land ambulance service within its area. On March 23, 1999, the government announced that the province would share the approved cost of land ambulance services on a 50/50 basis beginning January 1, 1999. The government also announced its intention to extend the deadline for municipalities to assume responsibility for land ambulance to January 1, 2001.

The *More Tax Cuts for Jobs, Growth and Prosperity Act, 1999*, extended the deadline to January 1, 2001; on that day, responsibility for services is transferred to upper tier municipalities and designated delivery agents. A "designated delivery agent" is an upper-tier or local municipality, or an agency, board, or commission created by the province, that is appointed by Order of the Minister to provide land ambulance services in a designated geographic area. This *Act* also allows UTMs and designated delivery agents, who did not select operators on or before September 30, 1999 to select new operators during the one-year extension upon giving 120 days notice to the existing operator.

The *Ambulance Act* provides for three options for the provision of land ambulance services. Uppertier municipalities and designated delivery agents may:

- enter into an agreement with existing land ambulance operators if they meet licensing requirements;

- provide the service directly, or
- conduct a Request for Proposals to select the best quality, best price provider of service.

Designation of Delivery Agents: DSSABs and ASBs

The Ministry of Health and Longterm Care is currently in the process of designating delivery agents for land ambulance services. Municipalities and DSSABs in Northern Ontario have been asked to indicate whether or not they are interested in assuming responsibility for service. The goal of the Ministry is to designate about 10 delivery agents in Northern Ontario.

Provision of land ambulance service is an option for DSSABs. If a DSSAB wishes to be designated, and is approved by the Ministry, an Order of the Minister under the *Ambulance Act* will appoint the DSSAB as delivery agent and describe the designated area which will serve.

Where Area Services Boards (ASB) are established they are required to provide land ambulance services. An ASB is created by an Order of the Minister of Northern Development and Mines under the *Northern Services Boards Act*. The designation of an ASB to provide land ambulance services will take place through an Order of the Minister of Health and Long-Term Care. Consultation between the various ministries and the affected municipalities will occur prior to such an order being made.

Regulations

Regulations impact on program and policy decisions dealing with the assumption of responsibility for land ambulance by municipalities and designated delivery agents. They include the interaction with existing operators, ambulance coverage and workload requirements, division of costs, and ambulance service roles and responsibilities in relation to other health and emergency services.

Ontario Regulation 501/97 under the *Ambulance Act* deals with licensing service operators, qualifications of persons employed in ambulance and communication services, standard of care, and operational requirements. The current regulation has been extended until April 30, 2000. The standards contained in this regulation are under review by the Land Ambulance Implementation Steering Committee (with representatives from the Ministry and the Association of Municipalities of Ontario (AMO)). When amendments to the *Ambulance Act* contained in the *Red Tape Reduction Act, 1999* are proclaimed in force, the revised regulation will become effective at the same time or shortly thereafter.

Ontario Regulation 129/99 under the *Ambulance Act* deals with the apportionment of costs between and among municipalities and designated delivery.agents. Amendments to this regulation expected to be in place in the Spring of 2000.

Financing

The Ministry will, until an upper tier municipality or designated delivery agent assumes responsibility, ensure the provision of ambulance service in those areas. In such areas the Ministry will bill municipalities for 50 per cent of the approved cost of service until the uppertier municipality or designated delivery agent assumes operational responsibility, or until December 31, 2000. Following assumption by a municipality or delivery agent, the Ministry will continue to fund 50 per cent of the approved cost of providing service.

Vehicles and Equipment

Ownership for existing ambulance vehicles and equipment will be transferred to municipalities when they assume full responsibility. As of January 1, 1998, municipalities assumed responsibility for 100% of the replacement costs for ambulances and emergency patient care equipment. Beginning January 1, 1999, the Ministry is sharing 50 per cent of the approved costs of vehicles and equipment. During the transition year, the Ministry will continue to work with upper tier municipalities and designated delivery agents on the technical aspects of purchasing and operational maintenance of vehicles and equipment.

Co-payment

Co-payment fees for land ambulance service will continue to be set and regulated by the province through legislation.

Implementation Tools + Supporting Information

The Ministry of Health and Long-Term Care has provided a variety of planning and evaluation tools to assist municipalities and service delivery boards or agents in Northern Ontario. These tools are catalogued in the Ministry's *Land Ambulance Transition Practical Guide* released in the summer of 1999 and available on request from the Emergency Health Services Branch. This information is also available on the joint Ministry and AMO internet website at www.amo-ehs.com.

Implementation Planning

MunicipalProvincial Consultations & Liaison

The province and the Association of Municipalities of Ontario collaborate through the Land Ambulance Implementation Steering Committee to facilitate the successful transfer of land ambulance service from the province to the municipalities. The Steering Committee ensures that issues and needs are identified early and resolved in a timely manner. The Committee, with members from the AMO, the Ministry of Health and Long-Term Care and the Ministry of Municipal Affairs and Housing was jointly established by the Ministry of Health and Long-Term Care and AMO in February of 1999. The Committee is co-chaired by elected

representatives from both orders of government. Subcommittees of the Steering Committee have been established to deal with labour, purchasing and funding issues. The Steering Committee will also review all operational standards and make recommendations for any further changes.

A joint website established by AMO and the Ministry, under the auspices of the Steering Committee, provides municipalities with current information on a variety of land ambulance transition issues. The website can be accessed at www.amo-ehs.com.

The Land Ambulance Transition Task Force (LATT), with representatives from service operators, base hospitals, dispatch, the Association of Municipalities of Ontario (AMO), and the Ministry of Health, held meetings from March 1997 to February 2000 to deal with a wide variety of technical, operational and regulatory issues.

Key implementation issues dealt by LATT include:

- service delivery types and levels;
- support to integrated health services and hospital restructuring initiatives;
- support to the rural health initiative;
- support for patient care, vehicles and equipment and response time standards;
- quality-based credentialing of land ambulance service operators;
- maintenance of seamless accessibility to service delivery;
- ensuring universality of service, regardless of residency or ability to pay; funding and
- provision of service to First Nations;
- working relationships between pre-hospital care partners;
- accountability frameworks.

Labour challenges

There are a number of private, hospital-operated, and volunteer ambulance services that may be taken over by municipalities. Such situations may require mergers between the labour forces of the involved agencies.

Transfer of vehicles

Ownership of ambulances, and other emergency and direct support vehicles, allocated to ambulance services at the time of transition from the provincial to full municipal responsibility will be transferred to upper tier municipalities and delivery agents.

Current safety certificates will be provided at the time of transfer. As of January 1, 2001, or when an upper tier municipality or delivery agent assumes responsibility, it will become the responsibility of the municipality or delivery agent to license and insure these vehicles.

Transfer of equipment

An inventory of patient care and other accessory equipment held by ambulance services has been completed. These materials will be transferred at no cost to the municipality or delivery agent at the same time as vehicle ownership is transferred. It will then become the responsibility

of the municipality or designated delivery agent to ensure the proper working order of such equipment.

Ministry support

The Ministry will work with the upper tier municipalities and delivery agents to encourage vehicle and equipment vendors to continue to honor both basic and any extended warranties that have been negotiated. During the transition period, the Ministry will continue to provide technical assistance and support for vehicle and equipment matters. Ambulance stations currently occupied by Ministry operated ambulance services are either owned or leased by the Ontario Realty Corporation (ORC) on behalf of the Ministry. Should a municipality be interested in the continued use of such facilities after December 31, 2000, it will need to arrange appropriate terms and conditions with the ORC.

- Questions and Answers -

What is the Ministry of Health and Long-Term Care doing to help northern service boards and municipalities obtain the information necessary to assist them in preparing for the transfer of land ambulances?

The Ministry is continuing to provide municipalities and boards with any information that will assist them in preparing to assume full responsibility for land ambulance services. This information includes documents and data used by the Ministry. Ministry staff meet regularly and on request with DSSAB and municipal officials to discuss designation of delivery agents, operational details, and costs of ambulance services.

A "Land Ambulance Transition Practical Guide" was reviewed by the Land Ambulance Implementation Steering Committee and distributed to municipalities. Also, a website at www.amo-ehs.com is available to assist municipalities and delivery agents on a broad range of issues and topics.

Has the issue of severance liability for employees of current ambulance services been resolved?

The Ministry has committed to funding up to December 31, 1999, 100% of the cost of accrued severance liability for the employees of land ambulance service operators. Additional severance costs beyond 1999 will be shared in the same manner as other approved costs.

Has the Ministry addressed the issue of long term leases that are held by some of the operators?

The Ministry has agreed to consider, on a case-by-case basis, granting financial assistance to operators for long-term leases.

Have private operators' demands for compensation for loss of business and goodwill been resolved?

The issue of compensation for the operators was referred to a tripartite mediation panel for resolution. The panel recommended to the Minister that private land ambulance operators be compensated on the basis of 5.5 times the annual management compensation plan fee paid by the Ministry to the operators to manage their services. The recommendation was approved and compensation received by the operators in December 1999.

Is the Ministry replacing the current licensing scheme for operators with a periodic quality assurance based operator certification process?

Amendments to the *Ambulance Act* contained in the *Red Tape Reduction Act*, 1999 will replace the current licensing scheme for operators with a periodic, quality based certification process. These amendments are expected to be proclaimed in the Spring of 2000.

How is the 50/50 cost sharing arrangement going to be implemented?

Effective January 1, 1999, the province assumed responsibility for 50% of approved land ambulance costs. A policy on the determination of approved costs is now being devised in consultation with the Land Ambulance Implementation Steering Committee. In the meantime, the province will be sharing one-half of the land ambulance costs estimated in the 1999 CRF announcement.

Will communities that have volunteer ambulance services continue to be served by them?

When upper tier municipalities or designated delivery agents assume responsibility for the proper provision of land ambulance services, they have the option to continue with existing ambulance service providers, including volunteer services. All ambulance services, whether paid or volunteer in nature, must meet the standards set out in the *Ambulance Act* and Regulations in order to provide service.

Will the new transfer deadline of January 1, 2001 affect the options regarding the choice of ambulance provider(s)?

No, upper tier municipalities and designated delivery agents will use one of the following options as set out in legislation: enter into agreements with existing operators; become the service providers; or run a request for proposal to obtain the best price, best quality service.

With the transfer of responsibility for providing land ambulance to municipal jurisdiction, will ambulance workers be able to strike?

Ambulance workers employed by municipalities and private ambulance service contractors will have the right to strike. Workers employed by hospital operated services will continue to be covered by the Hospital Labour Disputes Arbitration Act which prevents them from striking.

Are municipalities obligated to provide service in French?

While municipalities are not obligated under the *French Language Services Act* to deliver services in French, each upper tier municipality is required to provide ambulance service that meets the needs of the people in the community. As partners in providing land ambulance, the Ministry will work with municipalities in areas designated for French language services to ensure that ambulance services meet the needs of all persons in that area.

How are ambulance costs being allocated and billed by the Ministry among upper tier municipalities and districts?

Currently, ambulance costs are assigned to each upper tier municipality and district based on the location of the call.

Why is the Ministry using location of call as a means to allocate ambulance costs?

Each upper tier municipality or designated delivery agent is responsible for the costs of all land ambulance service provided in their area. Location of call data is used by the Ministry to reconcile the costs of cross-border ambulance activities.

How will the province ensure maintenance of standards and service level for land ambulance services?

The Ministry of Health and Long-Term Care will continue to regulate the provision of ambulance services including setting, monitoring, and enforcing standards for vehicles, equipment, patient care practices, patient care provider qualifications and response times. The Land Ambulance Implementation Steering Committee will be reviewing the standards and will be making recommendations for any changes to them.

Who is responsible for ensuring provision of land ambulance service to First Nations communities?

The province will fund the provision of land ambulance service to First Nations communities. First Nations communities with sufficient land ambulance call demand will have an opportunity to operate their own service or to contract for service with a local service provider or municipality. First Nations communities with low call demand will receive service from a local provider or municipality.

How does the Northern Services Boards Act (NSBA) impact on the transfer of land ambulance services to municipal responsibility?

The NSBA provides for the establishment of Area Service Boards (ASBs) in Northern Ontario. One of the core functions of an ASB is the provision of land ambulance services. Creation of such Boards will provide a mechanism to ensure local management, accountability and fair sharing of the costs for ambulance services between local municipalities and the residents of unorganized territory.

Who is responsible for ensuring provision of land ambulance service to areas of the province without municipal organization?

A designated delivery agent will serve unincorporated areas. The province will continue to fund land ambulance service in areas without municipal organization during 2000.

5. PUBLIC HEALTH – Ministry of Health and Long Term Care

Legislative Framework

Public health focuses on the determinants of health rather than the treatment of illness and disability. Public health is involved in health protection and promotion from a population-based perspective. This means that it seeks measures that do the most good for the most people.

By focusing on prevention and promotion, the public health system reduces the expensive health and disability costs associated with medical treatment, chronic disability and lost productivity. It has been repeatedly shown that an up-front effort to prevent or reduce health-related problems is more cost-effective than attempting to deal with health problems after they have occurred.

The *Health Protection and Promotion Act* (HPPA), 1997 sets out the legislative framework for public health (includes the Act, regulations and mandatory guidelines). These mandatory guidelines are contained in a document entitled *Mandatory Health Programs and Services Guidelines* (MHPSG), and specify mandatory programs in three broad areas:

- chronic disease prevention, including heart disease, cancer and prevention of injuries
- family health, including child health, nutrition, and sexual and reproductive health
- infectious disease control, including AIDS and sexually transmitted diseases, vaccine preventable diseases and the control of outbreaks of infectious diseases

The MHPSG are considered the minimum program standards that must be followed by all boards of health in the Province. The standards were revised in December 1997 to bring them up to date with current knowledge in public health practice, to ensure consistency and accessibility of programs across the Province, and to facilitate effective monitoring. Copies of these guidelines are available from the government bookstore and are also posted on the Ministry of Health and Long-Term Care website.

The HPPA also:

- requires obligated municipalities to provide adequate funding to maintain minimum provincial standards and provisions, and specifies how obligated municipalities will contribute to overall board of health expenses
- establishes ministry authority to monitor and enforce program standards
- provides ministry authority to intervene in emergency situations where a board or municipality is not adequately addressing a risk to health

Governance

Governance of public health continues to be through local boards of health, with composition primarily from municipal appointees. The provincial government may appoint additional members to the board at their discretion, but the number of provincial appointments must be less than the number of municipal appointments on any given board. In regional municipalities, the regional council continues to be deemed the board of health.

The HPPA allows for other entities such as county councils and District Social Services Administration Boards to become boards of health on approval by the Ministry of Health, on a case-by-case basis, through a regulation change. After discussions with representatives from the Association of Municipalities of Ontario (AMO), the Ministry of Health in November 1998 issued guidelines as to the process and requirements that must be met and followed before Cabinet would consider an application to become a board of health. These guidelines were sent to all boards of health and all obligated municipalities across the Province. A copy of the guidelines is available from the Public Health Branch.

The *Northern Services Boards Act* provides for the creation of Area Services Boards (ASBs). An ASB is responsible for six core social service and community health services, one of which is public health. The ASB may apply to take on additional program responsibilities if desired. The Minister of Northern Development and Mines is responsible for designating an area as an ASB. The order creating an ASB will indicate either that the ASB is deemed to be a board of health under the HPPA, or under which board of health the ASB is to be assigned.

Implementation: Options + Requirements

Local boards of health or ASBs deemed to be boards of health will deliver public health services. These boards will employ the services of appropriate staff, such as a medical officer of health, public health nurses, inspectors, epidemiologists and nutritionists.

While staff are performing duties related to the delivery of public health programs or services, they must be under the direction of the medical officer of health. The medical officer of health is responsible to the board of health for the management of public health programs and services, and reports directly to the board on issues relating to public health concerns and programs.

Due to the need to have specialized staff, health units need a population base of sufficient size to be efficient. A population of not less than 250,000 is most likely to achieve significant economies of scale, although this varies with the geographical size of the health unit.

In addition, boards of health in northern Ontario are responsible, under the Building Code Act, 1992 and the Ontario Building Code, for enforcing standards related to the design and construction of smaller on-site sewage systems (septics). This authority came into effect on April 6, 1998 with the proclamation of the Services Improvement Act, 1997. In order to ensure adequate provision is made for the continued delivery of this inspection and approvals service, any consideration of ASB creation should also take into account how septics program delivery will be addressed.

Administration + Process

Revised *Mandatory Health Programs and Services Guidelines, December 1997* were made available in February 1998. These guidelines provide the minimum expected level of public health programs and services for all boards of health.

The Ministry, in consultation with AMO, health professional organizations, and public health organizations, is developing an accountability framework to ensure compliance with the guidelines. The government is working together with public health and municipal partners to implement this framework. Consultations continue with AMO, the Association of Local Public Health Agencies, medical officers of health and boards of health to study and resolve outstanding issues.

Financing

As of January 1, 1999, the Province shares with municipalities, on a 50/50 basis, Ministry-approved public health budgets (including the PHRED program). Healthy Babies/Healthy Children, vaccines, Speech and Audiology, Genetics, Provincial Sexual Health Resources, and program delivery in unincorporated areas are funded 100% by the province.

How costs are apportioned among upper tier and single tier municipalities is a local decision. In situations where local agreement cannot be reached, the apportionment will be according to O. Reg. 489/97. This regulation states that in the absence of a local agreement, the proportion of board of health expenses paid by each obligated municipality shall be in direct proportion to their population.

The Province will be creating a regulation under the *Municipal Act* to ensure that certain public health services are not subject to user fees.

Implementation Tools + Supporting Information

Because of the need for centralized monitoring, the Ministry has already specified data standards, definitions, and software requirements for some programs.

Implementation Issues

All geographic areas of the province are part of a health unit. If the health unit boundaries need to be changed, then relevant regulations will have to be amended. As well, human resources issues and a division or consolidation of assets will have to be addressed.

The Ministry will continue to meet with boards of health and municipalities, to orient them to the revised mandatory programs and services, and to provide and/or seek advice and consultation as new implementation issues arise.

How will the Province ensure standards are maintained for public health?

Under the HPPA, the Province has the authority to monitor board of health compliance, and enforce mandatory public health program standards. The order creating an ASB will indicate either that the ASB is deemed to be a board of health under the HPPA or which board of health will be responsible for providing public health services in that ASB areas.

Who sets the mandatory program standards?

The Minister of Health and Long-Term Care is responsible for the Mandatory Health Programs and Services Guidelines. These guidelines are the minimum programs and services that must be delivered by a board of health. The guidelines are periodically revised to ensure that they reflect current best practices. Staff from boards of health, municipalities and health practitioners are consulted prior to any revisions.

What are the mandatory public health programs that the boards of health are required to deliver?

Boards of health are required to deliver mandatory programs in three key areas:

- chronic disease prevention
- infectious disease control
- family and child health

These mandatory program guidelines were updated in December 1997 to reflect current knowledge in public health practice, to ensure consistency and accessibility of programs across the Province, and to facilitate effective monitoring. They have been distributed to all obligated municipalities and local boards of health. This information is also on the Ministry of Health and Long-Term Care's website.

6. HOMES FOR THE AGED – Ministry of Health and Long Term Care

Overview

Homes for the Aged in territorial districts are established under section 6 of the *Homes for the Aged and Rest Homes Act* (HARHA) where a by-law authorizing the establishment and maintenance of the home under a board of management has been passed by a majority of municipalities in a territorial district.

In addition, section 4 of the HARHA permits a municipality in a territorial district, having a population of more than 15,000 to establish and maintain a home with the written approval of the Minister of Health. This municipality can also establish a joint home with other municipalities in the same territorial district with the written approval of the Minister of Health.

Presently in Northern Ontario, there are 12 District Homes for the Aged and 7 municipal Homes for the Aged.

Subsection 41(1) of the *Northern Services Boards Act* states that an Area Services Board "shall provide or ensure the provision" of core services in the Board area, "to the extent that a service delivery agency is required by law to provide them or ensure their provision". As a result, an Area Services Board is not required to establish a Home or Homes for the Aged because they are a core service. The Homes are established under the auspices of HARHA, and the management requirements of the Boards for each of the Homes would not be altered.

Consolidation Requirements – Optional Services

1 ECONOMIC DEVELOPMENT - Ministry of Northern Development and Mines

Current Situation

A number of municipalities in Northern Ontario have assumed responsibility for economic development in an effort to achieve economic prosperity, attract new investment and create jobs in their communities.

Specific economic development activities may involve creating a profile of a community or region and assessing its potential for investment, establishing strategic priorities, assisting businesses to access federal and provincial government programs, marketing and promotion of an area to attract new investment, assisting existing businesses with their expansion efforts, etc.

In some municipalities, responsibility for economic development rests with an individual officer, in others a branch within the municipal government, and in larger centres, a separate agency has been created. Some municipalities have established partnerships by contributing to an economic agency that covers a broader area including a number of municipalities and unincorporated communities.

Many of these organizations are also Community Futures Development Corporations (CFDCs). CFDCs are federally-funded agencies with responsibility for stimulating economic and entrepreneurial development, providing financial assistance to businesses and delivering FedNor programs in 22 areas in Northern Ontario.

Challenges

Northern communities continue to face a number of challenges to achieving economic prosperity. The northern population is widely dispersed and most communities have populations of less than 2000. Infrastructure is often limited and communities tend to be far from the major markets for many goods and services. Because of their small size, it is often difficult for northern communities to commit adequate resources to effectively engage in economic development activities.

Area Services Boards

By assigning responsibility for economic development to an Area Services Board (ASB), communities within an area may better be able to participate in trade and investment marketing initiatives and in a more strategic approach to economic development. ASBs would consolidate economic development activities at a broader area level. They may choose to engage in economic development activities by utilizing existing agencies or by establishing new structures within the framework of the ASB.

2. AIRPORTS – Ministry of Transportation

Overview

In November 1995, the province announced the withdrawal of subsidies for municipal airports starting in 1997/98. On January 15, 1997, the province announced that municipalities will be fully responsible for funding municipal airports.

Municipal airport operating subsidies for 1996/97 amounted to $660,000 dollars; there were no operating subsidies for 1997/98. Capital subsidies amounted to $2.962 million dollars in 1997/98 and $882,000 in 1998/99.

The estimated operating and capital cost impact on municipalities for municipal airports is $3.6 million dollars. The estimated impact has been determined on the basis of the 1996/97 provincial operating subsidy amount and the annualized capital replacement needs based on multi-year planning estimates.

To assist with capital reserves and help maintain the infrastructure transferred, an additional $6.3 million dollars was provided to municipalities with municipal airports in 1998/99 from the Municipal Capital and Operating Restructuring Fund (MCORF). The municipal airport allocation was based on five-year runway rehabilitation needs identified by municipal airport operators.

The province will continue to support the system of remote airports across Northern Ontario.

Governance

The Municipal Airports Program was discontinued on December 31, 1998, upon completion of former contractual commitments.

Implementation: Options + Requirements

Municipalities, or their Authorities/Commissions, continue to have responsibility for the ownership and operation of airports.

Administration + Process

Municipal airport development and operation is administered locally. There are no policy issues to resolve with the provincial government with respect to the Municipal Airports Program.

Financing

The province has terminated both operating and capital subsidies for municipal airports.

Where applicable, municipalities should apply for federal funding assistance under the Airport Capital Assistance Program (ACAP). Municipalities are also encouraged to seek greater private sector participation in airport development or improvement projects.

Municipalities are encouraged to set aside funds on an annual basis for future major rehabilitation initiatives.

Municipalities may wish to review whether users are contributing adequately to the cost of airport improvements and operations.

Implementation Tools + Supporting Information

To assist municipalities with the transfer, the Ministry of Transportation, the Canadian Aviation Institute, and Georgian College held a three-day aviation forum in May of 1997 called *2001 - Strategies for Change.*

Northern Impact

In 1998, as part of the government's realignment of local services the Province discontinued subsidies to 50 municipally owned and operated airports, of which 23 are in Northern Ontario. The Ministry of Transportation will continue to own and operate 29 remote airports in Northern Ontario.

The Province provided financial assistance towards future capital needs to municipalities operating these airports. Approximately $2.9 M was provided for the northern municipal airports. These funds were distributed to municipalities on March 9, 1998. The airport allocation was based on five-year runway rehabilitation needs as identified by the municipal airport operators.

3. LAND USE PLANNING – Ministry of Municipal Affairs and Housing

Overview

Land use planning under *The Planning Act* is one of the optional services that an ASB may provide. Land use planning services include creating a long-term vision for communities in land use and development, establishing official plan policies to guide development over a 15 year period, issuing approvals for development applications, as well as planning for services and infrastructure needs.

In response to requests from Ontario municipalities, the Ministry of Municipal Affairs and Housing has embarked upon a strategy to progressively delegate land use planning responsibilities in Northern Ontario. An ASB, if established, could have the same land use planning powers as a municipality or Planning Board.

Currently, land use planning in the North is shared by three authorities:

- The Minister of Municipal Affairs and Housing, who has planning approval powers under, and administers, the Planning Act.

- Municipalities outside of Planning Boards which are both assigned and delegated planning powers under the Planning Act.

- Planning Boards that include municipalities and unorganized territory, who administerdelegated planning powers under the Planning Act and co-ordinate future growth and land use planning activities.

Responsibilities of these authorities under the Planning Act include:

Ministry of Municipal Affairs and Housing:

- Providing municipalities, Planning Boards, developers and the public with one-stop access for provincial planning services that were previously provided by other provincial ministries. The Ministry is also the single point of contact for advice, approval and appeal where this responsibility has not been assigned or delegated to municipalities and Planning Boards.

- Overseeing provincial interests when reviewing and making decisions on planning applications in unorganized areas outside Planning Board area jurisdictions or in areas not yet assigned or delegated these functions;

- Delegating and exempting planning approvals to municipalities and Planning Boards;

- Enacting and administering Minister's zoning orders;

- Defining and establishing Planning Boards.

Northern Municipalities:

- The preparation and adoption of official plans and amendments;

- The preparation and administration of zoning by-laws and amendments;

- Approval of consents and subdivisions where assigned and delegated by the Minister;

- The issuance of building permits.

Planning Boards:

- Where there is no municipality and where Planning Boards have been established, they assume the land use planning responsibilities for an unorganized territory;

- Prepare official plans and amendments for its planning area and submits to the Ministry of Municipal Affairs and Housing for approval;

- Administer/enforce Minister's zoning orders or zoning orders that have been deemed to be zoning by-laws;

- Providing advice/assistance to municipal councils and the Minister of Municipal Affairs and Housing in matters of area-wide land use planning;

- Subject to delegation or exemption by the Minister of Municipal Affairs and Housing approval of consents and subdivision, and official plan amendments.

Implementation Options and Requirements

In deciding to provide land use planning as an optional service, consideration should be given to the several combinations of land use planning service delivery that could result:

- In ASBs (that do not decide to take on planning function), Planning Boards could continue to exist and continue to carry out their existing responsibilities;

- ASBs could assume all planning functions and the existing Planning Boards be dissolved;

- ASBs could contract Planning Boards or municipalities to deliver the planning services that the ASB is responsible for, pursuant to the Minister of Northern Development and Mines's order.

Financing

- Municipalities are responsible for all costs associated with the provision of land use planning services;

- Planning Boards are currently funded by the member municipalities and prior to 1998, by grants from the Ministry of Municipal Affairs and Housing for the unorganized territory within a Planning Boards' area of jurisdiction.

- If an ASB assumes responsibilities for land use planning services, it would be responsible for all costs associated with the provision of this service and would have the authority to levy taxes in accordance with the taxation models provided by the Northern Services Board Act.

Further information and assistance on the provision of land use planning services by an ASB can be obtained by contacting:

Ministry of Municipal Affairs and Housing
Provincial Planning and Environmental Services Branch 1-800-935-0696
or
the two Northern Municipal Services Offices
(Northeastern 1-800-461-1193) (Northwestern 1-800-465-5027)

Ministry of Natural Resources

Restricted Area Orders under the Public Lands Act:

The Ministry of Natural Resources administers a small number of restricted area orders in territory without municipal organization, under the authority of section 13 of the Public Lands Act, R.S.O. 1990.

In areas without municipal organization designated as a restricted area, a permit is required to erect a building or structure or to make improvements to lands. These permits are issued by the local office of Ministry of Natural Resources.

The issuance of permits for buildings or improvements in a restricted area order is an optional service that an Area Services Board may provide.

4. PROVINCIAL OFFENCES – Ministry of the Attorney General

As a Local Services Realignment (LSR) initiative, the Ministry of the Attorney General (MAG) is transferring the administration and selected prosecutorial responsibilities for provincial offences to the municipal sector. This reflects an enhanced partnership with municipalities by transferring certain responsibilities for minor offences which proceed under the *Provincial Offences Act* (POA). Once the transfers are complete, municipalities will collect all POA fine revenue, pay operating costs such as facility leases and staff, remit a surcharge to the Victim's Justice Fund, and pay for the Ministry of the Attorney General's ongoing POA related costs (i.e. adjudication and some prosecution costs). Municipalities will keep the net revenue that remains after these costs are covered.

Legislative Framework

The *Streamlining of Administration of Provincial Offences Act* (Bill 108) received Royal Assent on June 11, 1998, and provides the framework for the POA transfer.

The responsibilities that are being transferred include:

- administrative functions, court support and most prosecutions for Part I offences, which are regulatory ticket offences. These offences have a maximum fine penalty of up to $500.00 upon conviction;

- administrative functions for the remainder of Part II offences, which are parking tickets and not previously administered by municipalities (95 per cent of parking tickets are already handled by municipalities), and on-going court support for Part II trials and prosecutions; and

- administrative and court support activities for Part III offences(Regulatory, but arising from more serious circumstances or where no set fine exists for the offence). The province will continue to prosecute its own Part III offences.

The *Streamlining of Administration of Provincial Offences Act, 1997,* establishes the framework for the province to enter into transfer agreements with municipalities for administration and prosecution of most POA offences. Agreements will be made with one municipal partner per court service area which comprises more than one municipality. Agreements will take the form of a transfer agreement between the province and the municipal partner.

The purpose of this legislation is three-fold:

- it moves matters that have a local impact into the control and accountability of local authorities, while ensuring that there are clear and consistent provincial standards for the administration of justice;

- it enables the province to focus on prosecuting serious criminal offences by allowing municipalities to prosecute minor "ticket type" offences; and

- it meets a commitment the government has made to eliminate waste and duplication by bringing administrative functions together under one level of government.

The Act also sets out the authority for provincial standards and sanctions in section 162(3):

Performance standards and sanctions shall be specified in the agreement; the municipality shall meet the standards and is subject to the sanctions for failure to meet them.

The Act also provides a definition of performance standards as they relate to provincial offences, s.162(4):

"performance standards" includes standards for the conduct of prosecutions, for the administration of the courts and for the provision of court support services.

Actual performance standards are set out in the transfer agreements between the Attorney General and municipal partners.

The province is constitutionally responsible for setting standards and monitoring justice and will continue to do so.

Section 165 sets out the municipal partner's authority to collect and enforce fine payments and its obligations to remit certain amounts to the province and other municipalities.

Governance

Under the *Provincial Offences Act* (POA), the municipal sector assumes major responsibilities for staffing and operating POA courts. The Attorney General, constitutionally responsible for the administration of justice, remains responsible for setting and monitoring program

standards. The province continues to be responsible for appointing Justices of the Peace, thereby ensuring independent adjudication of POA matters.

Implementation: Options + Requirements

The POA transfer is a phased transfer that occurs as municipalities demonstrate readiness. The POA transfer includes a transfer of net revenue to the municipal sector.

The transfer was designed based on consultations with a range of stakeholders, including municipal representatives. Stakeholders felt that phasing the transfer over two years would result in a smoother, easier transition. Within the two-year implementation period, municipalities would take on the transfer as they are ready. Earlier municipal sites will mentor other municipal sites that take on the transfer later. The province and municipalities will build on what has been learned at each stage so that the transfer will become faster and more efficient over time.

As the timing of the transfer is voluntary, initially some municipalities may not be ready to participate. In court service areas where POA functions have not been transferred at the end of the implementation period, the responsibility for those areas may be offered to municipal groups that are already partners with the Ministry.

The POA transfer is a four step process:

- The minister invited municipalities to send in submissions that demonstrate their ability to meet readiness criteria established by the Ministry in July 1998. Submissions from municipalities may be made at any time during the following two years (i.e. deadline is spring 2001).

- A selection panel has chosen municipalities that have demonstrated their readiness to go first. This process will continue until the phased transfer is complete.

- Municipalities will sign a transfer agreement with the province. The agreement consists of a memorandum of understanding (MOU), which is the same in all cases, and a local side agreement (LSA) that will cover site-specific arrangements, such as facility and asset arrangements (e.g., office equipment).

- The first municipalities to take on responsibility for POA under the transfer will mentor future sites. As more POA transfer agreements are effected and experience gained, the advice and expertise of municipalities will become an important part of streamlining the implementation process.

Submission Criteria

Some criteria that must be met in order for municipalities to be considered ready to take on POA responsibilities include:

- an ability to maintain the existing range and level of services within the court service area as set out in an MOU between the province and the municipal partner; and
- council resolutions from each municipality within the court service area to demonstrate that each municipality approves the POA cost, revenue and responsibility arrangements.

Demonstration Sites

The first seven demonstration sites for the POA transfer, representing about 70 municipalities, are:

Demonstration Site	Court Services Area
Regional Municipality of York	Newmarket
City of North Bay	North Bay/Nipissing
Municipality of Muskoka	Bracebridge
City of Mississauga	Mississauga
Town of Caledon	Orangeville/Dufferin
City of Brampton	Brampton
City of Barrie	Barrie and Orillia

Administration + Process

The transfer agreement sets out reporting requirements, and municipal partners will be subject to audit by the Ministry of the Attorney General and the Provincial Auditor.

Financing

A key element of financing considerations is a net revenue source for municipal partners. Municipalities will collect gross POA fine revenue, pay operating costs such as facility leases and staff, remit a surcharge to the Victims Justice Fund, and pay back the Ministry of the Attorney General for costs that it continues to bear for the POA (for example, adjudication and some prosecution costs). Municipalities retain the balance of fine revenue after the Victim Fine Surcharge (VFS), ongoing provincial costs and fines under the *Contraventions Act (Canada)* are remitted to the province.
Net POA fine revenues for municipalities across the province have been estimated at approximately $67 million per year based on average figures compiled from 1992 to 1998.

Costs and revenues will be transferred to municipalities when they take on POA responsibilities. POA administration and record-keeping are done by court service area, of which there are 61 in the province.

Detailed financial data will be available in profiles of each course service area – "court profiles" – which are provided at municipal information planning sessions. (These court profiles will also contain details of current courtroom, office and equipment needs and costs for each court service area.) The province will conduct audits at the time of the transfer in each service area to verify financial data and determine existing levels of service, which must be maintained after the transfer.

Implementation Tools + Supporting Information

The Ministry of the Attorney General has developed a standard transfer agreement in the form of a generic Memorandum of Understanding (MOU) and a Local Side Agreement (LSA). The MOU describes the roles and responsibilities of the municipal partner and the Attorney General and sets out provincial standards. The LSA spells out site-specific issues particular to a court site. A Guide to the MOU for all municipal partners will provide a user-friendly introduction to the transfer agreement approach. These documents will be provided to municipalities during municipal information planning sessions and as part of the submission package.

The Ministry will also provide access to and use of a common database, which is the Integrated Court Offences Network (ICON) computer system.

The following is a description and analysis of ICON, which is located and used at every court office throughout the province to support the POA program.

Description:

ICON is a province-wide computer-based system that manages financial tracking, trial scheduling and statistics. ICON will continue to be used in every court office after the transfer.

ICON Facts:

- in operation province-wide since November 1991, in over 50 court locations;
- provides online update and inquiry during business hours;
- updates overnight;
- monthly transaction volume of 4.4 million;
- there is a network of approximately 1400 devices province-wide;
- ICON can interact with LAN and/or WAN; and
- each court office has a controller plus terminals.

ICON Outputs:

- produces daily, weekly and monthly reports on financial transactions and case status information including scheduling, enforcement, document listings, audit trails;
- produces reports for enforcement agencies and disbursement reports for municipalities; and
- facilitates accounting processes reporting to Ministry finance branch.

A key component of the system is the accurate transfer of data (conviction, enforcement and financial). Additional areas of information responsibility are listed below:

- Legislative Changes: the Ministry of the Attorney General responsible for the instruction, implementation and enhancements to ICON brought about by legislative changes.
- Security and Integrity of System: key aspects of the transfer of responsibilities:
  Freedom Of Information (FOI)
  - system accessibility
  - auditing of municipal users
  - maintenance of security access
  - Oath of Confidentiality
- Accountability of Information and Transferring of Data: municipal partners will be responsible to ensure that all data are correct.
- System Training and Support: ICON hotline support is provided daily to users.
- Financial Control: every financial transaction is recorded by ICON. ICON produces daily, weekly, monthly financial reports; manages a reconciliation process; and distributes revenue to appropriate sources.

- Payments: to central payment offices. Current payment methods are to POA Court offices as well as through:
    - Ministry of Finance
    - Inter Voice Response (IVR)
    - Service Ontario (Kiosks)
    - Central Fines Collection Service (CCS)
    - Point of Sale technology.

Main Linkages With Other Systems:

- Ministry of Transportation - Driver licence and the Commercial Vehicle Operating Record (CVOR) systems;
- MAG Defaulted Fine Control (DFCC) system;
- Ministry of Finance;
- Municipalities; and private data entry contractors.

Implementation Issues

The Ministry of the Attorney General has established a *Provincial Offences Act* Transfer Project and an inter-ministerial Transfer Team that is responsible for implementation and transition strategies. The Team will work closely with municipal partners in order to effect a smooth transition and minimize disruptions to the public and the justice system.

5. WASTE MANAGEMENT – Ministry of the Environment

Waste management systems include waste disposal sites, waste processing sites, waste transfer sites, hazardous waste sites, transportation vehicles, etc.

The topic of municipal waste disposal systems can be a complex one. Generally though, the type of systems that may be of interest to ASB's are landfill and waste transfer sites.

There are basically two types of ownership of these waste management systems - private and public (i.e. Municipal and Ministry of Natural Resources – {MNR}).

Waste management sites are established under the *Environmental Assessment Act* (EAA) and/or the *Environmental Protection Act* (EPA). If the site is to service an area population of less than

1500 persons, approval only under the EPA is required. This approval may involve a public hearing.

If the service population is greater than 1500, EAA approval is required via an individual environmental assessment and a hearing may be required. In either case a Certificate of Approval (C of A under the EPA) will be issued to the owner to authorize the site. The C of A may include conditions related to ownership, operation (security, hours of operation, service area, type of wastes allowed, etc.), maintenance (covering, pest control, etc.), and closure.

If an ASB wants to assume any existing site (public or private), they should ensure that the site has a C of A and is in compliance with that C of A.

When an ASB takes over the ownership of any existing site, the operation of that site may follow one of the following two scenarios:

1) The effective service area increases; however, the rate of disposal at any site does not increase. In this case MOE need only be notified.

2) The service area increases and the rate of disposal at any site increases.

In this case, the change requires MOE approval (which is not necessarily automatic); however, such a change would be exempt from EA requirements and/or a hearing. An amended C of A will be required.

(Note that a rate increase is defined as a >25% increase in service population).

Regulation 299/94, which amended Regulation 347 (Section 5.2) allowed municipalities to expand their service areas, as a result of municipal reorganization.

The definition of municipality under the EPA includes Boards, such as ASB's. If an ASB were to want to open a new waste disposal site, they would be subject to the EPA and/or EAA requirements, as applicable. This could include a hearing under the EPA or it could trigger a full environmental assessment study under the EAA.

In summary, ASB's could take over the ownership operation, maintenance and abandonment of municipal waste disposal sites with the only administrative obligation being to notify MOE of the change in ownership/operation.

Changes to the operation (e.g., service area) generally only need an amendment to the Certificate of Approval and are exempt from a public hearing.

If an ASB wishes to take over an MNR site, similar rules apply. In that regard, the MNR may be willing to convey the site and transfer Certificates of Approval for any MNR sites to be assumed by an ASB.

In all cases, the local District Office of MOE should be contacted in a pre-consultation

6. POLICE SERVICES – Ministry of the Solicitor General

The *Police Services Act* (PSA), which is under the jurisdiction of the Solicitor General, governs policing in Ontario. Key provisions in the PSA deal with the following areas:

- policing responsibility
- core functions
- service delivery
- civilian governance
- financing
- police oversight

Amendments were made to the PSA in November 1997 by the *Police Services Amendment Act, 1997* (Bill 105).

Policing Responsibility

The PSA anchors responsibility for policing at the municipal level. All municipalities are required to provide adequate and effective police services in accordance with their needs. The PSA provides municipalities with various service delivery options for discharging this responsibility (see sub-section below on Service Delivery for details).

Policing in unincorporated communities in Northern Ontario is a provincial responsibility. The Ontario Provincial Police (OPP) is currently responsible for providing police services to the residents of these communities. If unincorporated communities merge with an incorporated municipality, that municipality becomes responsible for police service delivery.

Core Functions

Under the PSA, all municipalities are required to provide adequate and effective police services, which, at a minimum, must include all of the following functions:

- crime prevention
- law enforcement
- assistance to victims of crime
- public order maintenance
- emergency response

Municipalities are also required to provide the necessary infrastructure and administration to support the five core functions (e.g., vehicles, boats, equipment, buildings, etc.).

Service Delivery

Under the PSA, municipalities have options for the delivery of police services. The selection of the police service delivery option is a local responsibility. The PSA provides that a municipal

council must choose only one method of policing from the options available. A municipality can:

- maintain its own police service;
- contract with an adjacent municipality for police services;
- contract with the OPP, either alone or jointly with one or more municipalities;
- amalgamate its existing police service with one or more municipal police services;
- form a joint police service with one or more municipalities; or
- adopt another method approved by the Ontario Civilian Commission on Police Services.

If a municipality does not exercise one of the above options, then the OPP will provide policing without a contract to the municipality and the municipality will be required to pay for this service.

Police Services Advisors are available to answer questions and provide municipalities with advice with respect to meeting their responsibilities under the PSA.

Migration of Policing to Upper Tier Municipalities

Under section 209.2(1) of the *Municipal Act*, an upper tier municipality may pass a by-law, despite any Act, to assume a local power to provide a prescribed service or facility for all of its local municipalities. Under section 209.2(2), the above by-law shall not come into force unless:

- majority of all votes on the council of the upper tier municipality are cast in its favour;
- a majority of the councils of all the local municipalities in the upper tier municipality pass resolutions giving their consent to the by-law; and
- the total number of electors in the local municipalities in the upper tier which have passed the resolutions approving the by-law, represent the majority of all the electors in the upper tier municipality.

O. Reg. 408/97 adds police services to the list of prescribed services, which can migrate to the upper tier. Once the responsibility for policing is transferred, it cannot revert back to the lower tier at some later date.

Civilian Governance

The 1997 amendments to the PSA resulted in substantial changes to the governance of police services. Although police services boards remain the civilian governing authority for police

services in Ontario, changes in the composition and roles and responsibilities of police services boards reflect the principle of "say for pay" and recognize the importance of local decision-making. For example:

- municipal council decides what policing option will be chosen to police the municipality;
- municipalities now appoint the majority of members while the province appoints the minority;
- municipal appointees must include a community representative who is not a member of council or an employee of the municipality; and
- municipal council now approves the total budget envelope and the police services board is responsible for administering and allocating funds.

The size of a police services board is directly related to population as follows:

- three member board for municipalities whose population does not exceed 25,000 people, or
- five member board for municipalities whose population exceeds 25,000 people.

In cases where the population of a district, regional or metropolitan municipality exceeds 300,000, the municipality may apply to the Lieutenant Governor in Council to have the board size increased from five to seven members.

Key roles and responsibilities of police services boards include, among others, the following:

- appointing members of the municipal police service generally determining, in consultation with the chief of police, objectives and priorities for policing in the municipality;
- establishing policies for the effective management of the police service;
- recruiting and appointing the chief of police and any deputy chief of police;
- directing the chief of police and monitoring his/her performance;
- establishing guidelines for dealing with public complaints; and
- reviewing the chief of police's administration of the complaints system and receiving regular reports from the chief of police on his/her administration of the complaints system.

Police Services Boards are now required in all municipalities which contract for OPP service. The 1997 amendments to the PSA clarified their role to make it closer to the role of a board in a municipality which maintains a municipal police service. Coupled with the terms of the

contract negotiated with the municipality, the Police Service Board in an OPP contract municipality is empowered to provide effective civilian governance.

O. Reg. 421/97 (Members of Police Services Boards – Code of Conduct) was developed to coincide with the 1997 amendments to the PSA.

Oversight of Police Services

The 1997 amendments to the PSA significantly changed the existing system of civilian oversight of the police with respect to public complaints and internal discipline matters. Public complaints (complaints about policies and services of a police service as well as complaints related to officer conduct) and internal discipline matters are now dealt with under a restructured and streamlined complaints system. The system is noted for its simplicity, timeliness, transparency and the right of complainants to request Ontario Civilian Commission on Police Services (OCCPS) review of local decisions.

The OCCPS, which reports to the Solicitor General, is responsible for overseeing the restructured and streamlined system for the handling of public complaints about police policies, services, or officer conduct.

Public complaints must be made to any station or detachment of the police force to which the complaint relates and the complaint is primarily dealt with by that service. Complainants are made aware of key decisions in the process. With respect to the handling of public complaints, the OCCPS may, at any stage in the complaints process, act on its own initiative and direct a chief of police how to process a complaint, or, assign the investigation to another police service. The complainant also has the right to request that the OCCPS review local decisions about police conduct made at different stages in the complaints process. In addition to the above, the OCCPS also carries out adjudicative and decision-making duties. These include:

- conducting investigations into the administration of police services;
- hearing police officer appeals from disciplinary penalties;
- adjudicating budget disputes between police services boards and municipal councils; and
- deciding if a police service will be disbanded in order to allow a municipality to initiate another option for police service delivery.

The Special Investigations Unit (under the jurisdiction of the Attorney General) is responsible for overseeing police conduct, which has resulted in serious injury or death. O. Reg. 673/98 (Conduct and Duties of Police Officers Respecting Investigations by the Special Investigations Unit) became effective January 1, 1999.

Implementation Supports for the 1997 Amendments to the PSA

Ministry staff are available to provide information and advice respecting the management and operation of police services. As part of a continuing implementation strategy for the 1997 amendments to the PSA, Police Services Advisors are available to provide stakeholders (i.e., municipal councils, police services boards, chiefs of police and police associations) with information on the amendments to the PSA and new regulations.

In addition, *Restructuring Police Services in Ontario: A Guidebook & Resource Kit for Municipalities from Ontario's Police Community* was released in December 1998. The guidebook contains three protocols, which outline the recommended processes for developing costing proposals for contract policing by the OPP, contract policing by a municipal police service, and amalgamation of police services.

The ministry has formally endorsed the guidebook with the expectation that the protocols will be followed when municipalities examine their policing options.

The guidebook is available on the Association of Municipalities of Ontario's MUNICOM network at: *www.municom.com* and on Ontario Association of Chiefs of Police's website at *www.oacp.on.ca*, or by contacting the Policing Services Division at (416) 314-3000.

Governance

O. Reg. 3/99 (Police Adequacy and Effectiveness Standards Regulation) was filed January 8, 1999 and comes into effect on January 1, 2001.

The regulation is part of the government's overall strategy to provide police services boards and police services the structure and tools they need to ensure the effective delivery of policing services. This strategy also includes the announcement of 1,000 new front-line officers, the rural crime prevention strategy, $5 million for forensic sciences, the establishment of the anti-biker squad, and recent legislative changes to enhance community and road safety.

The Adequacy Standards address six core policing areas, necessary to ensure the delivery of adequate and effective police services. The six areas are:

- crime prevention;
- law enforcement;
- victim assistance;
- public order maintenance;
- emergency response services; and
- administration and infrastructure.

The regulation requires all police services to be in compliance by January 1, 2001. Additionally, the regulation requires Police Services Boards to develop a plan, setting out the steps needed to be taken by the Board and the police service in order to meet the requirements of the regulation by January 1, 2001. The current *Ontario Policing Standards Manual* will remain in effect until January 1, 2001.

Implementation: Options + Requirements

In May 1997, the ministry established an Adequacy Standards Steering Committee to guide the regulation development process and to make recommendations to the Solicitor General regarding the content of the regulation. The Committee is comprised of representatives from the Association of Municipalities of Ontario, the Ontario Association of Police Services Boards, Ontario Association of Chiefs of Police, Ontario Senior Police Officers' Association, Police Association of Ontario, the Ontario Provincial Police, and the Ontario Provincial Police Association and more recently, the Toronto P e Association (TPA). The Committee was instrumental during the development of the Adequacy Standards Regulation.

Implementation Process for the Adequacy Standards

The ministry proposed a four-phase implementation process in order to achieve compliance with the Adequacy Standards. To assist this process, the ministry has provided Councils, Boards and police services with a range of implementation supports, including guidelines and sample board policies, to coincide with the four phases. The ministry supports are highlighted below.

Phase I: Information and Education (January - June 1999)

Phase I focused on understanding the provisions of the Adequacy Standards. Policing Services Division developed an Information Package explaining the requirements of the regulation. In addition, the Division conducted regional information and training sessions for interested members of Municipal Councils and Police Services Boards, and Chiefs of Police during Phase I.

Information packages were distributed to Heads of Council, Chairs of Police Services Boards and Chiefs of Police in February 1999.

Phase II: Self-Assessment (June - November 1999)

In *Phase II*, Police Services Boards and police services undertook a self-assessment of their current policies, procedures and functions/services against the requirements of the regulation to identify areas where they are in compliance and areas that will require additional work in order to achieve compliance.

During this phase, the Division provided final draft guidelines and sample board policies on 58 topics (October and December 1999), to assist boards, chiefs of police, police associations and municipalities with their understanding and implementation of the *Police Services Act* and its regulations, including the Adequacy Standards. In addition, the guidelines may be used in the development of local policies and procedures in support of the Adequacy Standards.

Phase III Planning (December 1999)

Based on the self-assessment undertaken in Phase II, Police Services Boards developed a plan setting out the steps needed to be taken by the Board and the police service in order to achieve full compliance.

Phase IV: Implementation (January - December 2000)

In January 2000, the ministry released the accredited training and core competency standards for the nine areas identified in the regulation.

In addition, in February 2000, the ministry distributed the 58 guidelines and sample board policies that have been developed to support the regulation.

During Phase IV, police services boards should implement their plans in order to be in compliance with the Adequacy Standards Regulation by January 1, 2001.

Police Services Advisors are working closely with boards and police services to provide advice on, and assistance with, completion of the self-assessment tool and compliance plans.

Police services and boards are submitting monthly updates. Advisors are reviewing these checklists, identifying problem areas and initiating corrective action.

Financing

The 1997 amendments to the PSA corrected long-standing inequities in the financing of police services where some municipalities were paying for policing while others were policed by the OPP at no cost to the municipality.

As of January 1, 1998, all municipalities are required to directly finance the cost of providing police services in their communities.

O. Reg. 420/97 (Costs of Ontario Provincial Police Services to Municipalities under section 5.1 of the Act) was developed to coincide with the 1997 amendments to the PSA. OPP staff are available to explain the formula used to calculate the costs for each municipality.

Unincorporated communities in Northern Ontario are policed by the OPP. The province currently funds the cost of providing OPP service.

Section 19 of the *Police Services Act* outlines the responsibilities of the OPP. One of these is to maintain investigative services to assist municipal police forces on the direction of the Solicitor General or the request of a Crown Attorney. This section of the *Act* includes a new provision which allows the OPP, with the approval of the Solicitor General, to charge for these services.

The provision for charge back was intended to ensure that police services do not reduce their level at service delivery by "uploading" services to the province (OPP). It was not intended to fiscally disadvantage smaller municipalities. Any consideration for charge back must be approved by the Solicitor General, and would be based on the conclusion that the municipality requires this service on a regular basis and should provide the service itself or pay the OPP or another police service to deliver it.

The Minister of Finance announced enhancements to the Local Services Realignment Initiative and the Community Reinvestment Fund (CRF), i.e., a plan for fairness in policing costs, on December 12, 1997. After assistance provided through the CRF, the net impact is that households in municipalities that are paying directly for policing for the first time, began by paying, on average, about $90 a year.

Implementation Tools + Supporting Information

Implementation Supports for the Adequacy Standards

Policing Services Division is providing ongoing support to municipal councils, police services boards and chiefs of police to assist them with implementation of the requirements of the *Adequacy Standards Regulation*. This support includes information sessions, advice, guidelines and sample board policies, ministry accredited training and core competency standards, resource material on key topics (i.e. business planning) and compliance planning support. The following is a brief overview of the implementation supports that the ministry will be providing.

Information Sessions

Policing Services Division has been holding training sessions for council members, board members and chiefs of police on the regulation.

If you are interested in participating in an information session, please contact your local Police Services Advisor.

Questions and Advice

Policing Services Division is providing ongoing advice and guidance to police services boards and police services on the requirements of the adequacy standards regulation.

A general introduction to the requirements of the regulation, in the form of questions and answers, has been developed for members of boards and municipal councils, chiefs of police and members of police services. This document, *Guide to Questions and Answers on the Adequacy*

Standards Regulation, was included in the information package that was distributed to Heads of Council, Chairs of Police Services Boards and Chiefs of Police in February 1999. In addition, your Police Services Advisor is available to answer any additional questions.

Preliminary Self-assessment Tool

The adequacy standards regulation requires police services boards to undertake a self-assessment of their organization to assess their level of compliance and identify any areas that will have to be addressed in order to achieve full compliance. Based on the self-assessment undertaken, police services boards will develop and implement a plan setting out the steps to be taken by the board and the police service in order to be in compliance with the regulation by January 1, 2001.

Policing Services Division has provided to police services boards and chiefs of police a preliminary self-assessment tool for the adequacy standards regulation that may be used by boards and chiefs to undertake the compliance review.

The self-assessment tool is divided into three parts. *Part A* focuses on an analysis of the core function/service delivery requirements of the regulation and should be completed by the board and the chief of police. *Part B* focuses on an analysis of the policy requirements of the regulation for police services boards. *Part C* sets out the procedure and process requirements for the chief of police. This document, *Self-Assessment Tool for the Adequacy Standards Regulation*, was included in the information package that was distributed to Heads of Council, Chairs of Police Services Boards and Chiefs of Police in February 1999.

Guidelines

Policing Services Division has developed guidelines on 58 topics to assist police services boards, chiefs of police, police associations and municipalities with their understanding and implementation of the *Police Services Act* and its regulations, including the Adequacy Standards. It is anticipated that most police services boards and police services will use the guidelines, or a local equivalent, when developing policies and procedures in support of the adequacy standards regulation. The content of the guidelines focuses on:

- functions that reflect the critical provincial interest;
- subjects integral to the successful implementation of the adequacy standards;
- providing maximum flexibility and local decision-making;
- assisting with interpreting the requirements of the adequacy standards, and being a tool for assessing adequate and effective police services; and
- guiding the development of policy and procedures by boards and chiefs of police.

The guidelines have been developed with police stakeholder involvement through the Adequacy Standards Steering Committee. The Division provided final draft guidelines on 58 topics (October and December 1999). The final Minister-approved package of the 58 guidelines was released in February 2000.

Sample Board Policies

Policing Services Division is providing sample board policies for police services boards to support the policy requirements of the adequacy standards regulation. Boards may use the ministry's sample policies when developing policies, with appropriate modifications to meet local needs, or may also consider comparable equivalents when addressing compliance with the *Police Services Act* and its regulations.

Ministry Accredited Training and Equivalent Competencies

The Ontario Police College (OPC) worked with police stakeholders in 1999, and in particular with police in-service training representatives, to review and establish the ministry accredited training and equivalent core competency requirements for:

- criminal investigation;
- tactical units;
- containment teams;
- hostage rescue;
- communicators, dispatchers and those supervising them;
- major incident command;
- crisis negotiation;
- scenes of crime analysis; and
- forensic identification.

The ministry-accredited training and equivalent core competency standards generally reflect existing training and police practices in the province.

Additionally, training on these issues may be delivered by non-OPC institutions, including police in-service training, and public and private sector learning institutions, for example, community colleges, who meet the training standards established by the OPC.

The standards were released to police services in January 1999.

Other Support Tools

In addition, the ministry is continuing to provide, through the OPP, the support and specialized services it has made available historically (e.g., major crime and emergency response), especially to small rural and Northern communities.

Policing Services Division is also providing police services boards and chiefs of police other implementation supports, including resource material that address key topics, for example, a business planning template and resource package released in December 1999. The Division is also providing ongoing compliance planning, monitoring and support.

Finally, the regulation allows the Solicitor General to designate:

- specific occurrences for which the police service shall notify another police service, unit or task force;
- the need for procedures and processes for undertaking and managing investigations for other types of crime not currently list in section 12 of the adequacy standards regulation; and
- a federal or provincial counter-terrorism plan.

If the Solicitor General decides to use this authority, in any of the three areas identified, the ministry will provide an information package to boards and police services at that time.

- Questions and Answers -

Why a regulation on adequate and effective police services?

In 1996, the *Who Does What Report* included several recommendations relating to policing that were addressed by the government as part of the amendments to the PSA in 1997. The *Who Does What Report* recommendations included: municipalities should deliver adequate and effective police services; municipal councils should have greater say in police budgets; and the Province should set standards on adequate and effective police services.

The amendments to the PSA also set out that adequate and effective police services must include: crime prevention; law enforcement; assistance to victims of crime; public order maintenance; and emergency response services. Furthermore, the PSA specifies that municipalities are also responsible for providing the necessary administration and infrastructure for delivering adequate and effective police services.

As part of the amendments to the PSA in 1997, section 135(1) was amended to provide the authority to the Lieutenant Governor in Council to establish standards governing the adequacy and effectiveness of police services.

Consistent with the recommendations in the *Who Does What Report*, the government decided to develop a regulation on adequate and effective police services.

One of the purposes of the regulation is to provide boards, chiefs of police, and members of councils with a tool that can guide them in making decisions concerning the service delivery options for policing, and to address issues that are arising as a result of municipal restructuring. The regulation is also intended to clarify the obligations under the Act in relation to the five core policing services referred to in section 4(2), and to address issues relating to the critical provincial interest in policing.

How was the regulation developed?

The Ministry of the Solicitor General has undertaken extensive consultations with police stakeholders on the content of the regulation and supporting guidelines. Since May 1997, the ministry has hosted numerous sessions of the Adequacy Standards Steering Committee in order to review the proposed content of an adequacy standards regulation. The stakeholders consulted are the Ontario Association of Chiefs of Police, Police Association of Ontario, Ontario Association of Police Services Boards, Ontario Senior Officers' Police Association, the Ontario Provincial Police, the Ontario Provincial Police Association, the Association of Municipalities of Ontario, and the Toronto Police Association (TPA) since September 1999.

What is the critical provincial interest in policing?

During the consultation process, one of the key issues that emerged related to the definition of the "critical provincial interest in policing" and the importance of an adequacy standards regulation focusing on matters that fall within the parameters of the provincial interest in policing.

Generally, it was agreed that matters of critical provincial interest would involve significant issues of:

- public safety;
- police officer safety;
- the administration of justice; and
- police accountability.

7 EMERGENCY PREPAREDNESS AND RESPONSE - Ministry of the Solicitor General

Overview

The *Emergency Plans Act* (EPA) has been in effect since 1983 and is under the administration of the Solicitor General.

The EPA provides municipalities with permissive authority to ensure the appropriate level of emergency preparedness and response within their communities. This empowers the council of a municipality to formulate an emergency plan governing the provision of necessary services during an emergency and the manner in which employees of a municipality and others will respond. The head of council is further empowered to declare an emergency in all or any part of the municipality and take such action or make such orders as are necessary to protect property and the health, safety and welfare of the population affected.

Although determining the appropriate level of emergency preparedness and response is a local responsibility (i.e. at discretion of municipal council), there are a number of activities that should be considered in ensuring emergency preparedness. These include:

- completing a community hazard identification and risk assessment;
- formulating an emergency plan;
- training those who have responsibility for implementing an emergency plan;
- reviewing and updating emergency plans at regular intervals, and
- conducting drills, simulations and exercises as a means of evaluating arrangements and ensuring operational readiness.

8. ROADS AND BRIDGES – Ministry of Transportation

Legislative Framework

Section 54 of the *Better Local Government Act* (Bill 86) amended the *Municipal Act* and other related legislation and received Royal Assent on December 19, 1996. The amendments responded to liability-related concerns raised by municipalities. The legislative changes relating to municipal roads and bridges are as follows:

- The statutory duty to keep roads and bridges in reasonable state of repair is made explicit
- Municipalities can have regard to a number of factors in keeping their roads and bridges in repair, including the character of the road and bridge and where they are located
- The changes clarify that a municipality is not liable if it did not know of the disrepair and could not reasonably be expected to have known
- Similarly, the municipality would reduce its exposure to liability if it takes reasonable steps to prevent the state of disrepair from arising, or to remedy it
- It gives the Minister of Transportation the authority to set minimum standards by regulation, which, if met, would provide municipalities with a new defence against liability claims

Final standards in regulation are expected to be in place by Fall 2000. The standards are designed to help minimize municipal financial liability.

Implementation: Options + Requirements

How municipalities choose to meet standards is their responsibility. The Ontario Good Roads Association (OGRA) is developing best practices guidelines to assist municipalities with implementation issues.

Administration + Process

On matters of liability for roads and bridges, the legislation has been worded to give municipalities the choice of following the minimum standards and using the new defence in the *Municipal Act* or to continue to use their own standards. If a municipality does not have minimum standards or a risk management plan, the judicial process will determine what constitutes a reasonable standard during the course of a lawsuit.

The province will not enforce compliance with the standards. Monitoring will be undertaken jointly with the municipal sector to determine the effectiveness of the standards in reducing municipal liability related costs.

Implementation Tools + Supporting Information

The Ministry of Transportation (MTO) will work closely with the municipal sector, primarily through the Ontario Good Roads Association (OGRA) to assist municipalities as they adopt the new standards. OGRA will be implementing training courses for municipal engineers and roads superintendents.

- Questions and Answers -

Are municipalities required to follow the standards?

No. Municipalities are not required to follow the standards. However, to make use of the new defence in the *Municipal Act* against liability claims, they must meet or exceed the standards. Since the courts will likely use the minimum standard to determine whether the standard of repair provided by the municipalities is reasonable, municipalities are encouraged to meet the minimum standard.

Who will enforce the standards?

Since the standards are voluntary, the province will not enforce compliance. The courts will determine if the municipality met the standard related to the alleged default.